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Japan

Defense Agency Chief Views JSP Advertisement

OW2610052290 Tokyo KYODO in English 0300 GMT 26 Oct 90

[Text] Tokyo, Oct. 26 KYODO—State Minister for Defense Yozo Ishikawa said Friday the main opposition Japan Socialist Party [JSP] was mistaken in believing Japan will soon send its troops abroad. Ishikawa was commenting on a JSP-sponsored newspaper advertisement claiming the No. 1 opposition party objects to the proposed dispatch overseas of Self-Defense Forces [SDF] personnel under a UN Peace Cooperation Bill.

The Defense Agency chief told a news conference that if the JSP studied the matter objectively it would appreciate the bill's real aim of helping achieve peace. Ishikawa, however, admitted that the bill has so far failed to win wide support from voters, saying that some of its contents are difficult for the general public to understand. He did not specify.

The JSP ran a large advertisement in the MAINICHI SHIMBUN newspaper Friday with the photo of its leader Takako Doi, saying that Japan's "weapon" is its pacifist Constitution and that the JSP opposes the overseas dispatch of the SDF. It appealed for voter support for the JSP's efforts to block the Government from sending the SDF overseas.

The Government of Prime Minister Toshiki Kaifu has proposed enacting the UN Peace Cooperation Bill which calls for creating the peace corps to assist in international peacekeeping operations. The bill allows for the sending of noncombat personnel, aircraft, and ships from the SDF and from the Maritime Safety Agency.

During parliamentary committee discussions, government officials said that the peace corps could transport arms, ammunition, and foreign troops to the Persian Gulf.

Self-Defense Forces Ships To Carry Small Arms

OW3010153990 Tokyo KYODO in English 1519 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Japan's supply ships will only be equipped with small arms when they are sent abroad to assist in international peacekeeping activities, State Minister for Defense Yozo Ishikawa said Tuesday.

Ishikawa told a parliamentary committee session that supply ships of the Maritime Self-Defense Force are currently stocked with handguns, rifles, shotguns, and machineguns but will never carry anything more powerful when they are joining international operations.

The Defense Agency chief responded to questions from Masao Sakon, a Japan Socialist Party member, at a session of the House of Representatives' special committee discussing the government-proposed United Nations peace cooperation bill.

The legislation would allow the sending abroad of noncombat personnel, ships, and aircraft from the SDF to assist in international peacekeeping activities.

Akira Hiyoshi, director general of the minister's secretariat at the Defense Agency, told the same committee session that Air Self-Defense Force transport planes might also be armed with handguns and rifles when they are sent abroad.

Asked what the reaction should be if Japanese ships and aircraft are attacked, Ishikawa and Hiyoshi both said they should do everything possible to flee, noting that such arms are incapable of repelling attacks in modern warfare.

Shunji Yanai, director general of the Foreign Ministry's Treaties Bureau, said the government has no intention of chartering ships and aircraft from Japanese companies to transport arms and ammunition for international peacekeeping missions. But Yanai said the legislation allows the government to charter foreign ships and aircraft in order to provide transportation services.

Meanwhile, Otohiko Endo of Komeito, the nation's second largest opposition party, urged the government to declare that Japanese ships or aircraft will not transport nuclear weapons.

Foreign Minister Taro Nakayama said transportation of nuclear weapons can be considered as banned under the country's three-point non-nuclear policy—not to possess, produce, or allow nuclear arms on Japanese soil.

Kanemaru: Nation 'Must Avoid' Worrying Asia

OW3010140290 Tokyo KYODO in English 1247 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Powerful conservative politician Shin Kanemaru said Tuesday Japan must avoid raising concern among its Asian neighbors through the proposed use of its troops abroad in international peacekeeping activities. Kanemaru, one of the most influential faction leaders within the ruling Liberal Democratic Party (LDP), said the Japanese cabinet needs to firmly abide by Japan's conventional purely defensive policy.

The leader of the LDP's largest faction founded by former Prime Minister Noboru Takeshita said it may be difficult to gain Diet approval of the proposed U.N. peace cooperation bill before the legislature ends its current 30-day extraordinary session November 10.

The bill says Japan will establish a U.N. peace cooperation corps to provide "adequate and swift assistance" to "U.N. peacekeeping operations and other activities" which are performed in line with U.N. resolutions. The bill calls for sending noncombat troops, ships, and aircraft from the Self-Defense Forces (SDF) under the peace corps' umbrella. The SDF personnel can carry small firearms, which government officials specified as handguns and rifles.

Kanemaru urged the government and the ruling party to study what Japan can do under existing laws and without the new legislation. He was speaking at a meeting of senior members of the LDP's two largest factions, each led by Takeshita and former Foreign Minister Shintaro Abe.

Kanemaru is known for his enormous political clout in Japan's political world. He visited North Korea last month as head of an LDP delegation and issued a joint declaration in Pyongyang urging the Governments of Japan and North Korea to open talks toward establishing diplomatic ties.

The U.N. peace cooperation bill faces strong opposition both at home and from Asian neighbors, particularly China, and North and South Korea, which suffered Japanese military atrocities before and during World War II.

All the opposition parties, except the Democratic Socialist Party, have clearly opposed the bill, saying it violates Japan's war-renouncing Constitution. Prime Minister Toshiki Kaifu has urged opposition parties to present an alternative plan to promote Japan's contribution to world peace.

The bill was hurriedly prepared by the Foreign Ministry amid pressure from abroad to provide greater support in the wake of the Persian Gulf crisis, political analysts said. The legislation is currently under debate in the powerful House of Representatives, which is under the LDP's comfortable majority.

Political sources see difficulties in gaining approval for the bill from the second chamber, which is controlled by the opposition camp.

Peace Corps Crisis-Management Plan Discussed

OW3010073890 Tokyo KYODO in English 0652 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—The government is considering giving the leaders of the proposed United Nations peace cooperation corps discretion to act in times of emergency, a senior Foreign Ministry official said Tuesday.

Shunji Yanai, director general of the ministry's Treaties Bureau, told an opposition member at the House of Representative's special committee on the U.N. peace cooperation bill that an action plan for the corps members, including noncombatant Self-Defense Forces (SDF) personnel, required a guideline for crisis management.

Yanai was supplementing a response at the session on Monday by Foreign Minister Taro Nakayama, who said the action plan aimed at specifying the corps' activities was subject to modification.

Shizuo Wada from the top opposition Japan Socialist Party (JSP) charged that Nakayama's remarks implied that the activities of SDF personnel in the corps would be without restriction.

Creation of the corps with SDF personnel for participation in peacekeeping activities overseas is the core of the proposed bill.

Opposition parties charge that the proposed sending of SDF personnel overseas runs counter to the Constitution's ban on use of force to settle international disputes.

Yanai said that the leadership of the corps on the spot will need discretion to respond to the ongoing situation, and the government plans after the bill is enacted to form a guideline to provide discretion to the leadership in such cases.

Nakayama stressed that the guideline will focus on management control in times of emergency, saying that the corps leaders are responsible for the lives and safety of the corps members.

A Defense Agency official said the SDF personnel in the corps will be led by SDF officers who will be under the control of the prime minister, and there was no problem in the command system. He was responding to a remark by Wada that since the SDF law stipulates that the director general of the Defense Agency has the mandate over SDF personnel, they could not be under the direct control of the prime minister.

Akira Niwa, head of the Maritime Safety Agency [MSA], said the MSA's activities are intended for relief for refugees and will not include inspections of other nations' ships. He said MSA personnel should only be dispatched to regions free of military conflict due to the nature of their work.

On whether the corps could transport arms and ammunitions as part of cooperation with the multinational forces led by the United States, Yanai said it depended on each case. Transport of arms and ammunition would not be considered as military cooperation if they are transported to locations remote from the region of military conflict, he said.

Nakayama said SDF aircraft could land on military bases or at civil airports for refuelling.

Government To Resist U.S. Kansai Airport Probe

OW3010051690 Tokyo KYODO in English 0426 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—If the U.S. fails to drop a probe of how contracts were awarded in the construction of Japan's New Kansai International Airport, then

Japan will stop giving American firms special bidding access to all building projects here, a government source said Tuesday.

Japanese officials had pledged in 1988 Japan-U.S. trade talks to give special treatment to American contractors in order to facilitate foreign entry into the Japanese construction market.

Japan has been under growing pressure by the U.S. to revise bidding procedures for the construction of the airport. American officials have threatened to use the Super 301 Provision of the 1974 Trade Act, if necessary, to win redress for any unfair bidding, the source told KYODO NEWS SERVICE.

Under Super 301, nations cited for persistent unfair trade practices must open talks with the U.S. and end the practices within a year, otherwise face punitive tariffs or retaliatory actions.

The dispute erupted in July, when a U.S. company lost its bid to build a ground transportation system for the nation's first 24-hour international airport, now being built on a manmade island in Osaka Bay in western Japan.

After holding an international tender, the contract for the "People-Mover" system was awarded to a Japanese group of Niigata Engineering Co., a medium-sized heavy machinery maker, and a major trading firm, Sumitomo Corp. The bid price is 5 billion yen.

According to airport company officials, the bid from AEG Westinghouse Transportation Systems Inc., the Pittsburgh-based company that Washington claimed is a leader in people-mover technology, was 3 billion yen higher than the Japanese bid price.

The airport was originally slated to be opened in March 1993, but airport officials said it is almost certain the opening will be delayed by six months to a year because of the dispute with American officials.

South Africa's Mandela Arrives for 6-Day Visit

OW2710115490 Tokyo KYODO in English 1051 GMT 27 Oct 90

[Text] Tokyo, Oct. 27 KYODO—South African black nationalist leader Nelson Mandela arrived in Japan on Saturday for his first six-day visit at the invitation of the Japanese Government.

Mandela, 72, deputy president of the African National Congress (ANC), flew to Tokyo on the fourth leg of a 20-day, five-nation Asia-Pacific tour which has already taken him to India, Indonesia and Australia. He will leave Japan for Malaysia on November 1. He is scheduled to attend rallies in Tokyo and Osaka on Sunday to try to deepen Japanese understanding of the movement against racial segregation in South Africa.

Mandela, known as one of the most prominent antiapartheid leaders, will address the House of Representatives' plenary session on Tuesday.

Released in February after 27 years in prison for his antiapartheid activities, Mandela visited the United States and Europe in June and July to appeal for continued support for sanctions against the Government in Pretoria for its apartheid policy.

Comments on Kajiyama's Remarks

OW2710143490 Tokyo KYODO in English 1411 GMT 27 Oct 90

[Excerpt] Tokyo, Oct. 27 KYODO—South African black nationalist leader Nelson Mandela said Saturday that Japanese people will settle a controversy over recent derogatory remarks about blacks by Justice Minister Seiroku Kajiyama. Upon his arrival in Tokyo for a six-day visit, Mandela said he is confident Japanese people will show leadership in settling the matter.

The 72-year-old deputy president of the African National Congress (ANC) was commenting on Kajiyama's remarks last month comparing American blacks with prostitutes in Tokyo's amusement quarters. After inspecting Tokyo's Shinjuku area, Kajiyama said on September 21, "it is like in America when neighborhoods become mixed because blacks move in and whites are forced out..."

Mandela told reporters he hopes the Japanese people and government will take interest in political reforms in South Africa. He urged Japan to "give full support to social development in South Africa after an abolition of the nation's apartheid policy."

More than 20 African ambassadors in Tokyo and about 100 Japanese parliamentarians and citizens greeted Mandela at New Tokyo International Airport at Narita, about 60 kilometers east of downtown Tokyo.

[Passage omitted]

Appeals for Antiapartheid Fight

OW2810124690 Tokyo KYODO in English 0951 GMT 28 Oct 90

[Excerpt] Osaka, Oct. 28 KYODO—South African black nationalist leader Nelson Mandela on Sunday appealed for Japan's support in the struggle against apartheid.

Mandela, 72, deputy president of the African National Congress [ANC], attended a welcome rally of some 20,000 people in Osaka and said he will brief Japanese Government officials on a variety of problems in South Africa.

Mandela, one of the most prominent antiapartheid figures, said he will ask Japanese leaders what kind of support the ANC could expect from Japan in order to help abolish Pretoria's racial segregation policy. He told the rally that he will ask the government and business corporations in Japan to provide funds to build a new South Africa and to back up his group's activities.

The mass rally adopted a declaration vowing maximum efforts to abolish apartheid which it said is a crime against human beings.

Mandela, who arrived in Tokyo on Saturday for a six-day visit on the fourth leg of a 20-day Asia-Pacific tour, will address the House of Representatives on Tuesday. [passage omitted]

Requests Donations for ANC

OW2810144890 Tokyo KYODO in English 1347 GMT 28 Oct 90

[Text] Tokyo, Oct. 28 KYODO—South African antiapartheid leader Nelson Mandela on Sunday strongly urged the Japanese people to give financial assistance in support of the antiapartheid movement in South Africa.

At a civic rally and concert in a university auditorium in Tokyo, the 72-year-old deputy president of the African National Congress (ANC) told a crowd of nearly 3,000 that the Japanese "can help us by giving us money. I make this appeal that you will respond as soon as possible. It does not matter about the amount," he said.

Mandela, who arrived here on Saturday at the invitation of the Japanese Government for a six-day visit, had visited India, Australia, and Indonesia as part of his 20-day Asian and the Pacific tour, raising the issue of financial support for the black fight against Pretoria's policy of racial segregation.

Noting that all three nations had immediately pledged financial aid to the ANC, Mandela said, "We hope that (Japan) will not be the first country not to give us funds immediately, as we need them urgently."

"We are here ... because we regard you as our friend, our ally," said Mandela, who thanked the Japanese for their support for the antiapartheid movement which had yielded such positive results as the release of political prisoners and return of exiles, and the unbanning of the ANC in South Africa.

Over a dozen popular Japanese musicians performed in the marathon concert which was arranged by the Nelson Mandela Reception Committee.

All revenue from the 4,500-5,000 yen admission fees for the concert will go to a Mandela fund, to be used through the ANC to provide educational and other facilities for the children of South Africa, organizers said. They are aiming to collect 70 million yen for the fund.

While acknowledging that antiapartheid movements around the world, including Japan, have forced the white South African Government to ease some of the racial discrimination policies, Mandela warned that the black majority still have no voting rights and the entire police force is controlled by whites, who account for less than 5 million of the total population of 23 million.

"Our demand is one-person, one-vote. That is what will happen in South Africa and nothing else," Mandela said.

Mandela charged both the government and the white press for failing to stop and to report on the continued killing by white police of black people staging peaceful demonstrations, while emphasizing the "black-on-black" violence.

He also expressed concerns that many foreign governments say that South African President F.W. de Klerk has taken initiatives for peace. "Nothing is further from truth than that. It is our organization, the ANC, and no other, that took the initiatives for peace," Mandela said.

Since his release on February 11 after 27 years in prison for his antiapartheid activities, Mandela has toured the United States and Europe to appeal for continued sanctions against South Africa.

Earlier in the day, Mandela attended an unscheduled rally in Kyoto in addition to the one in Osaka. During his stay in Japan, he is expected to meet with government officials and business circles.

"Japan is the richest country in this region. We do expect the Japanese Government and businessmen to get involved in helping us develop our economy after apartheid is scrapped," Mandela said.

Japan imposes diplomatic sanctions against South Africa, maintaining official contacts at consular level. But it keeps a high level of trade with South Africa, second only to West Germany in 1988.

At the larger-scale rally in Osaka attended by some 20,000 people, the black nationalist leader urged Japan to support the struggle against apartheid and said he will brief Japanese Government officials on a variety of problems in South Africa. Mandela said he will ask Japanese leaders what kind of support the ANC could expect from Japan in order to help abolish Pretoria's racial segregation policy.

The Osaka mass rally adopted a declaration vowing maximum efforts to abolish apartheid, which it said is a crime against human beings.

Mandela will address the House of Representatives on Tuesday.

Rejects Pretoria's New System

OW2910101490 Tokyo KYODO in English 0526 GMT 29 Oct 90

[Text] Tokyo, Oct 29 (KYODO)—South African antiapartheid leader Nelson Mandela said Monday he rejects a proposed new political system put forward by the South African Government.

Mandela indicated his rejection of the proposal—which would provide for a two-chamber parliament allowing black majority rule while retaining substantial power for whites—in an interview in Tokyo with KYODO news service and two Japanese newspapers.

Mandela, who arrived in Japan on Saturday for a six-day trip, was to meet with Prime Minister Toshiki Kaifu and international trade and Industry Minister Kabun Muto later Monday.

Mandela said he would never accept the idea that "apartheid can be removed by other forms of apartheid." He added that he wants to see the actual recommendation by the president's council after his return to South Africa. The council announced the idea of the two-chamber political system last Wednesday.

The council proposed that one chamber should be elected by voters of all races across the country. The second chamber would be set up on an ethnic or regional basis which would ensure whites and other minorities of a minimum number of seats and would give them the power of veto on major policy issues.

Mandela, 72, the deputy president of the African National Congress (ANC), said the government of South Africa should be elected by voters of all races, and all races should be equal before the law. He said, "we must consider very carefully the fears of whites. Blacks will never dominate whites."

He also described the ANC as "a thoroughly nonracial organization," and said whites will be allowed to join it. Sanctions against South Africa should not be lifted until apartheid is totally scrapped, he said.

Mandela, who was released in February after 27 years imprisonment for his antiapartheid activities, is in Japan on the fourth leg of a 20-day tour of the Asia-Pacific region. He is due to leave for Malaysia Thursday.

Calls on LDP's Ozawa 29 Oct

OW2910103790 Tokyo KYODO in English 0710 GMT 29 Oct 90

[Text] Tokyo, Oct 29 (KYODO)—South African antiapartheid leader Nelson Mandela called on Liberal Democratic Party (LDP) Secretary General Ichiro Ozawa on Monday and urged the LDP leadership to provide financial support to the African National Congress (ANC).

Meeting at the Diet office of the LDP, the 72-year-old ANC deputy president told Ozawa that the money is necessary to provide food and housing for some 20,000 political prisoners to be released by the South African Government.

He said he hopes that the Japanese Government would decide to provide direct financial cooperation to the ANC before he leaves Japan at the end of the week to continue his fund-raising tour of Asia and the Pacific.

Alluding to the position of the United States and Canada not to provide aid to "political parties," Mandela told Ozawa the ANC is not simply a political party but aims to be an important organization within the government of South Africa. Mandela said he hopes the LDP leadership would convince the Japanese Government that the ANC has a special status.

Yuji Osada, head of the LDP delegation in the House of Councillors, promised to study Mandela's requests and said he hopes for Mandela's success in attaining human rights for the people of South Africa.

Asks for 25 Million Dollars

OW2910110190 Tokyo KYODO in English 0900 GMT 29 Oct 90

[Text] Tokyo, Oct 29 (KYODO)—South African black leader Nelson Mandela requested Monday that Japan grant 25 million dollars in economic assistance to the African National Congress (ANC) to help some 20,000 political refugees returning to South Africa, government officials said.

The deputy president of the antiapartheid ANC made the request in a meeting with International Trade and Industry Minister Kabun Muto, ministry officials said. Mandela, who is in Japan for a six-day official visit, told Muto countries such as Indonesia, Australia, and Canada have already promised to provide up to 10 million dollars.

He said, Japan's economic power meant it could afford to be more generous than these countries, according to the MITI [Minisitry of International Trade and Industry] officials.

The money is needed to help secure employment, housing, and education for the 20,000 black refugees now returning to the country as well as 600 recently freed political prisoners, Mandela was quoted as saying. But a MITI official said, "it would be quite difficult for the Japanese Government to grant the request due to constitutional restrictions on assisting political organizations."

Muto reportedly asked Mandela to direct his request to the Foreign Ministry, which is empowered to handle economic aid to foreign countries.

After the meeting with Muto, Mandela also met with Mitsuhide Yamaguchi, governor of the Export-Import Bank of Japan, to exchange views on bilateral economic cooperation. In the 50-minute meeting, Mandela called on Japan to pay greater attention to economic restructuring of his country after apartheid has been scrapped, according to Japanese officials.

Yamaguchi was positive in his response, saying "I am certain that the bank will play a significant role in financial assistance to the country's economic reforms."

Mandela also urged the bank to make a commitment to a planned bank for South African development, advocated by the United States. But Yamaguchi avoided making a clear statement of Japan's position on the planned bank, saying that its operations have yet to be detailed, the officials said.

Interviewed on Request for Aid

OW3010070690 Tokyo NHK General Television Network in Japanese at 1245 GMT 29 Oct 90

[Interview with Nelson Mandela, deputy president of the African National Congress, by NHK newscaster Hatsuhisa Takashima; Mandela speaks from the Diet Press Hall while Takashima asks questions in the NHK studio; interview conducted in English with simultaneous translation into Japanese; the following is from the Japanese; from "NHK 21 News" program—live]

[Text] [Takashima] Mr. Mandela, thank you very much for coming to our studio. First, I would like to ask you to comment on your talks with Prime Minister Kaifu. What did you discuss with him? Are you satisfied with the outcome of the talks?
[Mandela] I discussed a variety of problems with the prime minister. The Japanese Government hopes to maintain friendly and stable relations with newly created South Africa. The Japanese Government also hopes to play the role of catalyst for the promotion of dialogue under way in South Africa and to play a role in developing the South African economy. We welcome all of these proposals of the Japanese Government. These are subjects we discussed at the talks.

[Takashima] We understand that you asked the Japanese Government to provide 25 million dollars in financial aid to the African National Congress. Did you obtain a satisfactory commitment from Prime Minister Kaifu?
[Mandela] This question will be examined by the Japanese Government. I leave this question to the Japanese Government.

[Takashima] My question concerns relations between Japan and South Africa. Mr. Mandela, do you think that Japan will lift economic sanctions against South Africa and move toward normalizing relations with South Africa in the near future?
[Mandela] This question has not been brought up at talks between me and Prime Minister Kaifu, which included other cabinet members. Our stand toward this question has been well known. The economic sanctions are to abolish apartheid with the aim of granting the right to vote to all South African people. We are very far from this goal. Therefore, the economic sanctions should be continued. This is our stance.

[Takashima] There is another question I would like to ask you. What was your dream while you were in jail for 25 years? What is your present dream?
[Mandela] Well, it is better to forget it. I think that my future dream is rather important. I must say that I have no personal dream. I am working as a member of the African National Congress, which has a long history and many experiences. Therefore, I only have dreams that can be shared together with myself, my colleagues, and our organization.

[Takashima] You have been fighting against racial discrimination. The Japanese justice minister recently made a racial slur against American blacks. If you know about this, would you comment on it?
[Mandela] As I said when I arrived in Japan, I would like to leave this question in the hands of Japanese leaders. I expressed my full confidence in Japanese political leaders. Therefore, I believe that they will deal effectively with overall racial problems, as well as this individual question.

[Takashima] Thus far, are you satisfied with your visit to Japan?
[Mandela] I have been warmly received by the Japanese Government and the Japanese people. All of these people have given me great strength and hopes.

[Takashima] Thank you very much, Mr. Mandela.
[Mandela] You are welcome.

Receives Moral Support Pledges

OW2910214890 Tokyo KYODO in English 1458 GMT 29 Oct 90

[Text] Tokyo, Oct. 29 KYODO—South African antiapartheid leader Nelson Mandela wound up his first day of official business here with pledges of moral support but no sign that the African National Congress (ANC) will get the 25 million dollars in donations he is seeking.

Prime Minister Toshiki Kaifu praised Mandela for his leadership and dedication to ending apartheid through peaceful means, officials said. But Kaifu said Japan would be unable to offer money directly to the ANC because it has a policy of not funding political groups. Japan might be able to provide humanitarian assistance through organizations such as the United Nations.

Mandela was quoted as having urged Kaifu to follow the example set by the many countries in Asia, Europe and North America that have already extended assistance to the ANC.

The meeting capped a busy day of discussions with Liberal Democratic Party Secretary General Ichiro Ozawa, Minister of International Trade and Industry Kabun Muto, and the governor of the Export-Import Bank of Japan, Mitsuhide Yamaguchi.

Mandela, on the third day of a six-day visit, also was welcomed at a reception hosted by parliamentarians and gave several media interviews.

The 72-year-old antiapartheid leader unveiled his request for 25 million dollars during a meeting with Muto, saying that Japan could afford to be more generous than other nations he has visited so far on his five-nation tour. Mandela was offered 6.5 million dollars in India, 10 million dollars in Indonesia, and 15 million dollars in Australia.

He said the money is needed to help resettle some 20,000 members of the ANC who are returning from exile following the lifting of a 30-year ban on the antiapartheid group earlier this year.

Japan has offered 1.4 million dollars to South Africa this year to support programs for black South Africans. The government is also poised to invite ten black South Africans to Japan to attend a newly-launched training program.

Mandela received his most concrete pledge from Yamaguchi, who said he was certain his bank would play a significant role in assisting economic reforms in South Africa.

Japan bans direct investment in South Africa to protest its policy of racial segregation and does not have an ambassador in Pretoria.

Mandela said he is keen to receive economic know-how from Japan once apartheid is abolished.

In an interview earlier in the day Mandela reiterated the ANC's plans to nationalize lucrative gold and diamond mines should it come to power in post-apartheid South Africa. But he indicated the ANC is willing to reconsider the plan if it sees other options to help achieve greater economic equity among the nation's 25 million blacks and 5 million whites, who control most of the nation's resources.

Mandela is to present the ANC's economic policies to business leaders and address a session of parliament on Tuesday. He will also meet with opposition leaders and attend an antiapartheid rally in Hibiya Park in central Tokyo before leaving for Malaysia on Wednesday.

Refused Request for ANC Aid

MB2910135890 Umtata Capital Radio in English 1300 GMT 29 Oct 90

[Text] The Japanese Government has turned down an ANC [African National Congress] request for direct funding. The country's trade minister said no to Nelson Mandela, who asked for $25 million. He told the ANC deputy president Japan does not give funding to political organizations.

Mandela is in Japan for a five-day visit. He meets with Japanese Prime Minister Toshiki Kaifu shortly. According to correspondent Tim Knight in Tokyo, Kaifu will provide slightly better news.

[Knight] The Japanese Government has decided they can give financial assistance to the antiapartheid movement as a whole, and they will target areas in the South African economy directly aimed at helping blacks raise their standard of living. They are also going to provide opportunities for blacks from South Africa to come to Japan as occupational trainees.

Voices Disappointment at Refusal

OW2910214790 Tokyo KYODO in English 1405 GMT 29 Oct 90

[Text] Tokyo, Oct. 29 KYODO—South African antiapartheid leader Nelson Mandela told Prime Minister Toshiki Kaifu Monday he is disappointed by Japan's refusal to offer financial assistance to the African National Congress (ANC), a Foreign Ministry official said.

Mandela expressed his dissatisfaction after Kaifu turned down a request for 25 million dollars to help resettle some 20,000 members of the ANC who are returning from exile, and 600 political prisoners to be released from jail. Mandela said other Asian countries had made concrete pledges, as have nations in Europe and North America, according to the official, he quoted from the 50-minute meeting.

Mandela told Kaifu he was glad to exchange views but that he hoped Japan would learn from other countries in terms of offering assistance, the official said.

Kaifu said he would consider making funds available through international organizations. Japan is unable to make direct aid to political groups, Kaifu said, but has made available 1.4 million dollars worth of assistance this year to black South Africans.

On earlier stops during a five-nation fund-raising tour, Mandela received pledges of 6.5 million dollars from India, 10 million dollars from Indonesia, and 15 million dollars from Australia.

Mandela was told of a training program Japan plans to launch by next April that will bring 10 South African blacks to Japan to learn new skills, and a 10-year program planned by the private sector. Japan expects the black majority to play an important role in the future of South Africa, and would like to expand its assistance in the future, Kaifu was quoted as saying.

Kaifu praised Mandela's efforts to eradicate apartheid by nonviolent means, adding that he hoped the new South Africa would be democratic and maintain a free economy.

In an interview earlier in the day, Mandela said the ANC plans to nationalize mines and establish government controls on other natural resources in order to more equitably distribute wealth. Nationalization would be irrelevant if there were a better way to accomplish the goal, he said.

Mandela told Kaifu he hoped Japan would make available economic know-how once a nonracial South Africa comes into being. The ANC leader is expected to explain the ANC's economic policy to Japanese business leaders Tuesday.

He is also slated to give a speech before the Diet and address the nation in a news conference at the Japan National Press Club later in the day.

Mandela will meet with leaders of major opposition parties and attend an antiapartheid rally in central Tokyo on Wednesday before heading to Malaysia.

Delivers Diet Speech 30 Oct

OW3010044290 Tokyo KYODO in English 0333 GMT 30 Oct 90

["Text of Mandela's Diet Speech"—KYODO headline]

[Text] Tokyo, Oct. 30 KYODO—The following is the prepared text of a speech which South African nationalist leader Nelson Mandela delivered to the Japanese Diet on Tuesday:

Your Excellency, Mr. Kaifu, Prime Minister of Japan, Honorable Representatives, Distinguished Guests.

We are greatly honored by the invitation extended to us by the Government of Japan to address this august body. This occasion provides us with the valuable opportunity to share with you our views and perspectives on the political developments in South Africa, as well as our direct involvement in these processes.

We appreciate that the Japanese Government has advocated for the abolition of apartheid and supports the peaceful process for solving apartheid problems through negotiations. Your acknowledgement of the importance of our role to this end is a source of encouragement to us at this time.

We note the Japanese Government's past and present relationship with the South African Government. We also note the necessity for broadened extension of your Government's cooperation to the people of South Africa. At this time when we are embarking on the transformation of our country into a democratic, nonracial, united state, this would act as a form of encouragement to all our struggling people.

The foundation of democratic practice in our country is an essential ingredient to the furtherance of the processes now under way. In this context we appeal to the Government and the people of Japan and the rest of the international community for the concrete support of community and nongovernmental welfare, educational, and social agencies for change and self-reliance in South Africa. The infrastructure for reconstruction has to be determined and implemented urgently so that the new order in South Africa is ensured of a healthy start and success.

The process toward the peaceful resolution of the South African conflict is an explicit policy objective of the African National Congress. As such we have taken the initiatives that resulted in the Groote Schuur and Pretoria minutes. These talks were followed by the August 6 meeting held in Pretoria which our organization called for to address the problem of violence which threatens to abort the entire peace initiative. Despite the wave of violence, increasing numbers of political prisoners are being released, political exiles are returning home, some after decades of absence, and the state of emergency has been lifted. In addition, the separate amenities act has been repealed. These developments are cause for optimism and encouragement that our fundamental goal of one person, one vote on a common voter's roll will be realized.

We believe that social stability is essential to forward movement toward negotiations, to which we reiterate our full commitment. Our organization, the African National Congress, after 30 years of banning, is considerably handicapped by the lack of resources so essential for fulfilling this task. We are urgently faced with the repatriation and resettlement of exiles. They, together with the released political prisoners, need housing, employment, and education in a society with severe shortages and inadequacies in this regard.

History has placed our organization in the role it is now playing to shape the destiny of all our people and our country. We need to discharge this responsibility but can only do so if we have the appropriate resources. We hope that the Japanese Government and the people will be able to help us achieve these goals.

We are tremendously encouraged by the generous response we have received from nations big and small. The countries we have visited in Asia during this trip have also made significant contribution and thus directly strengthened our ability to start dealing with a portion of the urgent problems at hand.

Today in South Africa, the overwhelming majority of the population are victims of illiteracy, unemployment, homelessness, disease, lack of proper education, and numerous other social ills.

Perhaps the hardest hit are the children and youth of South Africa who have been raised during the height of the years of resistance to apartheid. They, who represent the future of our country more than any section of our population, require to have the chance to participate in programs to promote their all-around preparation for the future.

A deliberate and urgent program of reconstruction is needed in South Africa.

The political processes now under way can only be enhanced by concrete evidence of commitment to the eradication of poverty and deprivation. In this regard, to help accelerate progress, radical educational policies and programs must be instituted urgently.

The enormous achievements of Japan, we learn, occurred as a result of effective political, social, and economic strategies undertaken simultaneously. Any government at the helm of a new South Africa will still be faced with formidable problems carried from the past. Your advances and experience in technology, education, economics, and other spheres can be of tremendous value to us, indeed to southern Africa as a whole, now and in the years ahead.

We are certain that there is strong basis for us to express confidence that Japan will strengthen its call for the abolition of apartheid through a concrete program of further assistance to our struggling people. This will shore up the pillars of democratic participation in our country. This can be done through your Overseas Development Assistance program, as is the case with the European countries, Canada, United States of America, which are making significant contributions to change in South Africa.

We request you also rally your allies in the region to intervene effectively on the side of positive change in our country.

We congratulate you on the occasion of the 100th anniversary of Japanese parliamentary democracy. I am privileged to address this Parliament during the observance of your centenary.

Our visit coincides with the preparations for the ceremonies of accession to the imperial throne. On this occasion, we extend our people's felicitations to the Government and the people of Japan, and their commitment to the cause of peace.

We thank you.

Economic Sanctions Not Mentioned

OW3010081590 Tokyo KYODO in English 0751 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—South African nationalist leader Nelson Mandela in a speech before the Diet on Tuesday urged Japan to rally together other Asian nations to help abolish apartheid in his country, but made no mention of economic sanctions.

Addressing a packed joint session of the two houses of the Japanese parliament, Mandela thanked Japan for offering encouragement to the African National Congress (ANC) in its negotiations to end racial segregation, and reiterated his call for financial assistance.

The speech invited Japan to make available technology and economic know-how, and was notable for its conciliatory tone regarding ongoing reforms in South Africa.

Mandela said, "Your advances and experience in technology, education, economics, and other spheres can be of tremendous value to us, indeed to southern Africa as a whole, now and in the years ahead."

He avoided the mention of economic sanctions, as he has so far in his official meetings with Prime Minister Toshiki Kaifu and other cabinet members. This is in contrast with his June address before the U.S. Congress in which he urged that there should be no letup in sanctions against Pretoria.

One South African diplomatic source said, "Perhaps this is quite significant. We would hope he sees foreign investment as a way of addressing problems he is concerned about" such as the unequal distribution of wealth between the 25 million blacks and five million whites, the source said.

Mandela, one of only a few people other than government leaders to have been invited to address the Japanese parliament, was received by a standing ovation from the some 700 Diet members. Speaking slowly and deliberately throughout his 20-minute address, he said any government at the helm of a new South Africa would be faced with considerable problems carried over from the past.

Mandela appealed to Japan to strengthen its call for the abolition of apartheid "through a concrete program of further assistance to our struggling people." He added, "This will shore up the pillars of democratic participation in our country. This can be done through your Overseas Development Assistance (ODA) program, as is the case with the European countries, Canada, and the United States, which are making significant contributions to change in South Africa."

Mandela sounded a bright note on the future of government negotiations on establishing a new, nonracial constitution in South Africa.

Despite a wave of violence, Pretoria is releasing political prisoners, and has repealed an act that legalized separate amenities for whites and other races, he said. "These developments are cause for optimism and encouragement that our fundamental goal of one person, one vote on a common voters' roll will be realized," Mandela said.

Mandela has proposed holding a third round of talks with South African President F.W. de Klerk on completion of his 20-day trip to the Asia-Pacific region, to discuss the nature of the group that will draw up a new constitution.

President of the House of Councillors Yoshihiko Tsuchiya, in brief remarks following the speech, told Mandela that the Japanese people have profound respect for his efforts to create a nonracial state in which all people are equal under the law, regardless of sex, creed, or race.

Prime Minister Toshiki Kaifu commented to reporters that he found Mandela's speech "convincing of his convictions against apartheid. Mandela is a fighter, but in person he is very gentle," Kaifu added.

On Monday, Kaifu turned down Mandela's request for 25 million dollars to help resettle some 20,000 members of the ANC who are returning from exile and 600 political prisoners to be released from jail. Japan has a policy of not supporting foreign political parties.

Mandela, who had raised 31.5 million dollars during the first three stops—to India, Indonesia, and Australia—of his five-nation Asia-Pacific fund-raising tour, pointedly reminded the Diet of the contribution other countries have made to the ANC cause. "The countries we have visited in Asia during this trip have also made significant contribution and thus directly strengthened our ability to start dealing with a portion of the urgent problems at hand," he said.

Japan has earmarked 1.4 million dollars to assist South African blacks so far this year.

Japan Socialist Party (JSP) Secretary General Tsuruo Yamaguchi said after the speech that he plans to press for additional aid to the ANC in Diet deliberations. "When the United Nations refused to take 2 billion dollars for multinational troops in the Persian Gulf, the government found another route for the funding," he said. He was referring to a special fund jointly administered by the Gulf Cooperation Council and Japan. "If the government really wants to help Mandela, it should do the same thing," Yamaguchi said.

There was standing room only in the Diet visitors' gallery for Mandela's speech. Akiko Ohata, a 23-year-old office worker who said she took time off from work to attend the noon-time speech, said she hoped it would help raise the consciousness of Japanese on issues of racism.

Justice Minister Seiroku Kajiyama, whose comment in September comparing American blacks and foreign prostitutes in Japan aroused protests in the United States, arrived early in the House of Representatives chamber to hear the speech.

Spectator Yoichi Kuroda said he was disappointed Mandela did not level harsher criticism against the Government of Japan, which is South Africa's second-largest trading partner. "The speech was very tame," said Kuroda, an environmental activist.

Mandela is to leave for Malaysia after meeting with leaders of opposition parties in Tokyo on Wednesday.

Addresses Businessmen 30 Oct

OW3010060490 Tokyo KYODO in English 0524 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—South African black leader Nelson Mandela met here Tuesday with Japanese business leaders to ask for their direct financial aid to the African National Congress (ANC), officials said. Mandela told the Federation of Economic Organizations (Keidanren) and business officials that foreign investment is the key to a restructuring of the South African economy and asked for their direct support for the ANC.

Keidanren officials, however, told Mandela that their organization has been supporting nonwhite private firms and students in South Africa through donations in cooperation with the South African Trade Association (SATA), and will maintain that policy.

SATA, which consists mainly of Japanese firms in South Africa, and Keidanren, began collecting donations this March to support South African private firms, housing, and education, aiming at a total sum of 400 million yen within two years. Over 70 million yen in donations has already been collected and will be distributed through private South African organizations, the officials said.

However, Mandela said it is "not enough," compared with other nations and asked for more support.

Mandela said nationalization of private firms in South Africa would not lead to socialism and Pretoria anticipates a mixed economy with participation from both the Government and private sectors.

On Monday, Prime Minister Toshiki Kaifu turned down Mandela's request for direct financial assistance to the ANC, but said he would support grass-roots groups to improve living and educational conditions in the country.

Japan has banned direct investment in South Africa in protest against apartheid, and diplomatic relations are limited to the consular level. Japan has also been prohibiting imports of iron and steel products from South Africa since September 1986.

Japan, however, was Pretoria's second-largest trade partner in 1988 next to former West Germany. Japanese imports from South Africa totaled 1.93 billion dollars in 1988, while exports totaled 2.05 billion dollars.

The 72-year-old Mandela is on a six-day visit to Japan after visiting India, Indonesia, and Australia. He is scheduled to leave for Malaysia on Thursday and later move on to Brunei, his last stop.

Speaks to Reporters at Press Club

OW3010105990 Tokyo KYODO in English 1013 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—South African anti-apartheid leader Nelson Mandela renewed his call Tuesday for greater Japanese financial assistance to South African blacks, expressing strong dissatisfaction with Japan's refusal to offer assistance to the African National Congress (ANC).

Mandela, speaking to Japanese and foreign reporters at the Japan National Press Club in Tokyo, said Japan's assistance to his group is "insignificant." He earlier addressed a plenary session of the House of Representatives.

The 72-year-old deputy president of the ANC said Japan's financial contribution to the anti-apartheid organization is even lower than that from other Asian countries, noting Japan's grants to the ANC amounts to only 1.8 million dollars.

The United States provided the ANC with 31 million dollars in 1990, Mandela said, adding that even the developing African country of Nigeria contributed 5 million dollars to the anti-apartheid organization.

Japanese business leaders have said Japan's assistance to the ANC is small and pledged to give more aid to the ANC, he said.

Mandela met Japanese Prime Minister Toshiki Kaifu on Monday and requested 25 million dollars in assistance to help resettle some 20,000 activists, who are returning from exile, and 600 political prisoners to be released from jail. Kaifu, however, turned down the request, telling him that Japan is unable to make direct financial aid to foreign political groups.

Regarding talks between the ANC and the South African Government, Mandela said he is ready to meet President F.W. de Klerk shortly after returning to Pretoria. The ANC leader said he will discuss with De Klerk ways to establish a body to clear the way to draft a new nonracial constitution.

Mandela said voters will determine South Africa's future political course, adding, "I am ready to serve De Klerk if he is elected by the people of South Africa" based on the one-man, one-vote electoral system.

Mandela accused the Pretoria government of exploiting a rivalry between the ANC and the Zulu-based Inkatha Freedom Party, which has claimed more than 800 lives since mid-August. Mandela said the government has exploited a conflict between the two black political organizations "for a purpose of trying to destroy the ANC."

Mandela, who arrived in Japan on Saturday at the invitation of the Japanese Government, will meet leaders of opposition political parties and labor unions Wednesday and leave Japan on Thursday for Malaysia.

Partial Sanction Lift Considered

OW3010121590 Tokyo KYODO in English 1141 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Japan is considering lifting its restrictions on exchanges with South Africa "because the climate and atmosphere in South Africa is changing for the better," a Foreign Ministry spokesman said Tuesday.

Taizo Watanabe, speaking on the fourth day of South African black nationalist leader Nelson Mandela's visit to Japan, also said the Japanese Government is seeking a "framework" to enable it to channel increased amounts of aid to Mandela's African National Congress (ANC).

"We are monitoring the situation in South Africa very closely and we do not deny that there is a possibility of a change in our sanctions in the future," said Watanabe in a meeting with foreign correspondents.

The spokesman said the policy change under consideration stems from the improved political climate in South Africa brought about by the initiation of dialogue between the government and the ANC, as well as from the international community's increasing appreciation of those efforts. He said the lifting of sanctions would only apply in the first stage to the present ban on "exchanges of personnel and visits."

With the exception of black South Africans, Japan does not issue visas to South African nationals to come to Japan for sports, educational, or cultural exchanges, while it discourages Japanese tourism in South Africa.

Explaining Prime Minister Toshiki Kaifu's remarks on the difficulty of meeting Mandela's request for 25 million dollars in aid to the ANC, Watanabe noted that Japan has no "legal framework" for directly extending aid to private parties or political organizations in other countries. He said the only exception is to channel aid through international organizations or nongovernmental organizations in Japan.

Watanabe said Mandela's visit may lead to the establishment of a new NGO [nongovernmental organization] in Japan through which the government "can manage more straightforward aid efforts" with respect to the ANC.

The spokesman expressed surprise at the 25 million-dollar figure put forth by Mandela and said he is not sure the request could be met. "That is a figure which so abruptly came up," Watanabe said. "We had not been informed of this amount before his arrival here."

Calls for Continued Sanctions

OW3010141990 Tokyo KYODO in English 1328 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—South African anti-apartheid leader Nelson Mandela on Tuesday called for Japan's continued economic sanctions against South Africa until Pretoria introduces a one-man, one-vote electoral system, officials said. The 72-year-old Mandela made the request in a meeting with Japan Socialist Party (JSP) Chairwoman Takako Doi.

Doi, head of Japan's largest opposition party, agreed with Mandela and said Japan should maintain economic sanctions until all forms of apartheid are scrapped, the JSP officials said.

Mandela, deputy president of the African National Congress (ANC), said he did not discuss the matter fully during talks with Prime Minister Toshiki Kaifu and other top officials. But Mandela told Doi he thinks the Japanese Government understands the ANC position on the economic sanctions against the South African Government in Pretoria.

Senior Japanese Foreign Ministry officials said recently the policy on South Africa should be changed, in consideration of political reforms by South African President F.W. de Klerk.

In reference to racist remarks by Justice Minister Seiroku Kajiyama, Mandela said it is wrong to say one ethnic group is superior to others. Only the Japanese people can decide whether Kajiyama should leave the cabinet because he is elected by the Japanese people, Mandela was quoted as saying.

On September 20 Kajiyama inspected the Shinjuku district, one of the Tokyo districts where prostitutes work. The next day the justice minister said, "It's like in America when neighhoods become mixed because blacks move in, and whites are forced out."

Fuji Bank To Loan $115 Million to Air China

OW2910134790 Tokyo KYODO in English 0857 GMT 29 Oct 90

[Text] Tokyo, Oct 29 (KYODO)—Fuji Bank said Monday it has provided 115 million U.S. dollars in loans to Air China, the biggest airline operator in the country, to help it buy Boeing-made aircraft.

Fuji's step is in line with the resumption of lending by private Japanese banks to China since Japan froze new loans to the country after Beijing's suppression of pro-Democracy demonstrators in June last year.

The 12-year loan, with an interest rate of about 1 percentage point above the London Interbank offered rate, is the second credit package provided for purchases of aircraft following that given by Mitsubishi Trust and Banking Corp.

Trading House Handling Oil Sales to ROK

OW2610075690 Tokyo KYODO in English 0655 GMT 26 Oct 90

[Text] Tokyo, Oct. 26 KYODO—C. Itoh and Co., a major Japanese trading house, said Friday it has sold 15,000 tons of crude oil from Sakhalin Island of the Soviet Union to a South Korean oil company, Yukong Ltd. in the first such deal between the two countries.

The arrangement established early this month, is expected to provide the Soviet Union with desperately needed foreign currencies and South Korea with crude. South Korea's supply of crude oil has been shrinking due to the crisis brought on by Iraq's invasion of Kuwait in early August.

The company said it will actively promote such trade between the two nations, which restored diplomatic ties in September.

Foreign Ministry Announces Talks With DPRK

OW3010115190 Tokyo KYODO in English 1145 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Japan and North Korea will hold preparatory talks in Beijing on November 3-4 toward establishing diplomatic ties, the Foreign Ministry said Tuesday. Japan will send a delegation led by an official with the rank of Foreign Ministry bureau chief, officials said.

The preliminary talks are aimed at laying the groundwork for full-fledged discussions to be held later, the announcement said.

The preparatory exchange of views comes after representatives of Japanese and North Korean political parties agreed in September to urge their respective governments to open talks in November on establishing diplomatic ties.

Japan hopes to hold talks with North Korea after a regular meeting of Japanese and South Korean cabinet ministers scheduled for November 26 and 27 in Seoul, government sources said.

Japan's ruling Liberal Democratic Party, the main opposition Japan Socialist Party, and North Korea's ruling Korean Workers Party issued a joint declaration in Pyongyang on September 28 calling for the early establishment of diplomatic ties. "The three parties consider that the abnormal state between North Korea and Japan must be eliminated and diplomatic relations established as soon as possible," the declaration said.

Representative for Talks Named

OW3010145090 Tokyo KYODO in English 1436 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Japan and North Korea will hold preliminary talks in Beijing on November 3-4 to prepare for the start of full-fledged discussions to establish diplomatic ties, the Japanese Foreign Ministry said Tuesday. It will be the first intergovernmental negotiations ever between Japan and North Korea since Japan's defeat in World War II in 1945 and the subsequent division of the Korean peninsula.

Japan will send Sakutaro Tanino, director general of the ministry's Asian Affairs Bureau, to the Beijing preliminary talks, officials said. It is not known who will represent North Korea at the meeting.

The talks, which are aimed at laying the groundwork for full-fledged discussions to be held later, will take up when and where the two countries should launch the full negotiations toward establishing diplomatic ties, they said. Japan is planning to propose that the two countries open the full talks in Beijing in early 1991, Foreign Ministry sources said.

In the initial dialogue, North Korea is expected to urge Japan to officially apologize for Japan's 1910-1945 colonial rule of the peninsula and to pay compensation, the sources said.

A few more rounds of talks will be necessary before launching the full discussions, the sources said.

The upcoming exchange of views comes after representatives of Japanese and North Korean political parties agreed in September to urge their respective governments to open talks in November on establishing diplomatic relations.

Japan's ruling Liberal Democratic Party, the main opposition Japan Socialist Party, and North Korea's ruling Korean Workers Party issued a joint declaration in Pyongyang on September 28 calling for the early establishment of diplomatic links.

"The three parties consider that the abnormal state between North Korea and Japan must be eliminated and diplomatic relations established as soon as possible," the declaration said. "The three parties consider that Japan should fully and officially apologize and compensate to the Democratic People's Republic of Korea (North Korea) for the enormous misfortunes and miseries imposed upon the Korean people for 36 years and the losses inflicted upon the Korean people in the ensuing 45 years after the war," it added.

The Japanese Foreign Ministry, however, has voiced opposition to the proposed payment of compensation for North Korea's sufferings in the postwar years.

International VAN Service Planned With Canada

OW3010105790 Tokyo KYODO in English 1026 GMT 30 Oct 90

[Text] Tokyo, Oct. 30 KYODO—Japan and Canada have agreed to establish an international value-added network (VAN) service between the two countries within this year, government sources said Tuesday.

Japan's Ministry of Posts and Telecommunications and Canada's Ministry of Communications exchanged notes on the accord at regular bilateral telecommunications talks held in Tokyo.

The two sides agreed that the planned service should be entirely value-added in nature, and the two governments are required to review the agreement when either country changes its regulations governing international VANs.

EPA Report Shows Economy Still Expanding

OW2610004790 Tokyo KYODO in English 0006 GMT 26 Oct 90

[Text] Tokyo, Oct. 26 KYODO—The Japanese economy, undeterred by the Middle East crisis, remained on an expansionary path in October, the Economic Planning Agency (EPA) said Friday.

Brisk corporate capital outlays and consumer spending nudged the economy into its 47th month of uninterrupted growth. It is the second longest period of unchecked growth and just 10 months shy of the 57 months of sustained growth from November 1965 to July 1970, said an EPA monthly report.

"Although the impact of the August 2 Iraqi invasion of Kuwait wreaked havoc on Japan's financial markets, it has not yet left its imprint on the economy at large," an agency official said at a press briefing. "If anything, trade is basically unchanged and production and employment look to be heading higher," he said.

"I'll have to admit that high interest rates have affected housing starts, but we do not see them hurtling downward in the coming months," he said.

But the trend toward spiraling interest rates in September reversed course in October, with the Tokyo stock market first to take notice, the report said. The market staged a major comeback in October after falling sharply the preceding month.

On the inflation front, domestic wholesale prices jumped 0.5 percent in September from the month before in the wake of exploding crude oil prices, but consumer prices were generally stable.

"I don't see a change in corporate spending within the current fiscal year," the official added.

The report was based on an analysis of recent economic statistics, including sales at department stores, auto sales, housing starts, and surveys on corporate capital outlays.

AEC Urges Promotion of More Nuclear Power

OW2610042890 Tokyo KYODO in English 0208 GMT 26 Oct 90

[Text] Tokyo, Oct. 26 KYODO—Japan needs to promote development of nuclear power as a vital means of achieving a stable energy supply and to establish its own independent fuel cycle for effective use of uranium resources, the Atomic Energy Commission [AEC] said in an annual report on nuclear power released Friday.

Nuclear power will play an important role in ensuring future energy supplies, the report said. The report, approved at Friday's cabinet meeting, quoted an International Energy Agency prediction that world energy demand will grow 2 percent annually. It cited such factors as the burning of fossil fuels causing global warming and Iraq's invasion of Kuwait on August 2 triggering a surge in oil prices.

The White Paper endorsed an advisory body's proposal in June which recommended that Japan build another 40 nuclear reactors in the next 20 years to meet the growth in demand for electricity. The Advisory Committee for Energy, a consultative council for the minister of international trade and industry, said in the proposal that atomic power will account for 72.5 million kilowatts or 43 percent of total power needs in the year 2020.

While admitting the difficulty of building new power plants due to a growing antinuclear movement, the White Paper called for steady efforts to gain popular support for the construction of nuclear power plants.

The report urged less dependence on overseas reprocessing and enrichment of uranium and called for the establishment of a domestic fuel cycle. It said that if residual uranium and plutonium are recovered from reactors, natural uranium would be more efficiently utilized.

Steel Exports Drop to Lowest Level in 20 Years

OW2610095990 Tokyo KYODO in English 0944 GMT 26 Oct 90

[Text] Tokyo, Oct. 26 KYODO—Japan's exports of steel in the April-September period dropped 18.6 percent a year earlier to 8,321,000 tons, the lowest level in 20 years, an industry association reported Friday.

It was the first time that the cumulative export volume for the first half of a fiscal year fell below 10 million tons since the export came to 9,090,000 tons in fiscal 1970's first half, according to the Japan Iron and Steel Federation.

Federation officials attributed the marked decline chiefly to sluggish exports to cash-strapped China and the Soviet Union and producers' increased sales in the domestic market. Against the backdrop of brisk domestic demand, steel sales in the home market have been showing steady growth, the association said.

In September, Japan's steel exports also fell 17.5 percent from a year earlier to 1,347,000 tons. Exports to the Soviet Union plunged 72.1 percent in September from a year before to 13,000 tons, while shipments to China were also down a hefty 43.0 percent to 160,000 tons. Steel exports to the United States fell 22.8 percent to 269,000 tons, the report said.

Mongolia

Mongolian-Soviet Friendship Society Meets

OW2510115190 Ulaanbaatar International Service in English 0910 GMT 25 Oct 90

[Text] The third plenary meeting of the Central Council of the Mongolian-Soviet Friendship Society was held in Ulaanbaatar. It discussed matters related to renewing the activities of the society in the light of the ongoing processes of restructuring in the two countries. It also noted that under the cover of perestroyka and glasnost, friendship and bilateral cooperation between the Mongolian and Soviet peoples are being discredited.

The meeting indicated that market relations cannot be achieved in Mongolia, and she cannot be developed by disrupting the long-standing ties and cooperation with the Soviet Union.

Meeting Commemorates 'Days of the Soviet Union'

OW2610144690 Ulaanbaatar International Service in English 0910 GMT 26 Oct 90

[Text] Days of the Soviet Union have opened in Mongolia. A meeting commemorating the event was held in Ulaanbaatar Thursday where many speakers indicated that the expansion of new thinking, which demonstrates an openness, gives the possibility to define more realistically the efficiency of bilateral relations and cooperation and understand more correctly the essence of Mongol-Soviet friendship. The Days of the Soviet Union will highlight film festivals, exhibitions, sale of Soviet books, and also a performance by a Soviet show group (Alignar).

MPRP Session Urges Adoption of Law on Press

OW2910122590 Ulaanbaatar International Service in English 0910 GMT 29 Oct 90

[Text] The ruling Mongolian People's Revolutionary Party [MPRP] has held its regular sitting, coming out for the fullest elaboration and adoption of the Law on Press. Today a sign of democracy and openness in Mongolia are the numerous newspapers and journals of different parties and movements. Despite such positive changes there, however, is a growing tendency towards breeding an unhealthy atmosphere by some periodicals. A definite circle and groups free to use the press for their political ambition [words indistinct] course and sow discord, and thus poison the atmosphere in the society and fan up national dissension. Some public materials are detrimental to developing Mongolia's friendly relations with the neighboring countries. Such attitudes damage the country's vital interests and [words indistinct] open door policy. This makes it imperative to pass a law on press, notes the party's opinion.

Document Sums Up Outcome of Coalition Accord

OW2510110990 Ulaanbaatar International Service in English 0910 GMT 24 Oct 90

[Text] Democratic forces of Mongolia—the Mongolian Democratic Union, Democratic Party, Social Democratic Movement, Social Democratic Party, New Progressive Movement, and the Party of National Progress—have jointly issued a document summing up the outcome of the agreement on establishing a coalition. It indicates that the coalition was formed last April in order to overcome socioeconomic crisis in the country, democratize the society, and establish a law-governed state. The agreement was valid until August 25th, which coincided with the completion of the second stage of general elections.

The document notes that the creation of the coalition gave the democratic forces the chance to win 40 percent of the votes in the last elections. It indicates that although the term of the agreement has expired, democratic forces will continue to exchange views on current matters.

Economists Debate Issue of Economic Crisis

OW2610144490 Ulaanbaatar International Service in English 0910 GMT 26 Oct 90

[Text] Mongolian economists are divided on the question of whether the country's economy is in crisis or not. Many economists say yes, but those who deny it claim that the production process is normal and that the government and political parties have not officially acknowledged that the country is in crisis. They believe that the matter should be analyzed further and from all angles.

An economist, (Helpab), states that there is an economic crisis which is characterized by the country's helplessness with regard to its foreign debts. In this connection, the government newspaper ARDYN ERH writes that in the first nine months of the year, industrial enterprises of the country sold products worth only (?5.9) million tugriks, which is about (?14) percent less than the corresponding period in 1989, and the country's foreign trade turnover plummeted by more than five percent.

25 Million Livestock Expected by End of Year

OW2510115390 Ulaanbaatar International Service in English 0910 GMT 25 Oct 90

[Text] There are 6.9 million head of privately-owned livestock in Mongolia. This is a rapid growth and the result of the restrictions lifted on the number of animals herdsmen could own privately. The total number of livestock in Mongolia, both public and private, is expected to reach 25 million by the end of this year.

North Korea

N, S Agree on 9 November Contact on UN Issue

SK3010134890 Pyongyang Domestic Service in Korean 1100 GMT 30 Oct 90

[Text] A contact between responsible liaison officials for the North-South High-Level Talks has taken place in Panmunjom.

A contact between responsible liaison officials for the North-South High-Level Talks took place today on the South side's area in Panmunjom to set a date for a contact between the two sides' delegates for discussing the matter concerning the United Nations.

This contact has decided to hold a contact of the delegates of the North and South behind doors for discussing the matter on the United Nations at 1000 on the morning of 9 November at the conference room of the Neutral Nations Supervisory Commission.

Paper Says N, S Should Share One UN Seat

SK2910055890 Pyongyang KCNA in English 0539 GMT 29 Oct 90

[Text] Pyongyang October 29 (KCNA)—The South Korean authorities should, though belatedly, turn to a true stand for reunification and dialogue, renouncing their wrong stand for "unilateral entry into the United Nations," and sincerely approach the debate on the question of the North and the South sharing one seat in the United Nations, says NODONG SINMUN in a by-lined article today.

The author of the article says:

Whether the North and the South of Korea share one seat in the United nations or enter it separately is a very important problem on which the destiny of the North-South high-level talks is staked.

Our proposal for the North and the South to share one seat is a most reasonable one fully according, above all, to the reunification of the country.

The entry of the two parts into the U.N. with one seat itself would mean that they are advancing toward reunification. If the North and the South now standing in acute confrontation with each other enter the United Nations separately or any one side join it, it would legitimize "two Koreas" in the international arena and then the division of the country would be perpetuated and the confrontation be extended to the international scene.

Both the North and the South have remained outside the United Nations for over 40 years since the division of the country. It is no more than a challenge to the reunification cause to try persistently to join it separately and legitimize national division at this moment when they are looking forward to reunification in the '90s, furthermore, they are holding high-level talks to accelerate reunification.

Noting that our side's proposal for sharing one seat in the United Nations is in full accord with the requirements of the U.N. Charter and the resolution of its General Assembly, the article says:

It is well known that the U.N. Charter defines it as an aim of the United Nations to maintain peace and security.

If the North and the South enter the United Nations separately and confront each other even on the U.N. rostrum and further aggravate the North-South relations, it would hinder the peace and security on the Korean peninsula and impose a burden on the United Nations.

Already at its 10th General Assembly, the United Nations regarded it unreasonable to admit such divided countries as Korea and Vietnam into the U.N. and it as the first and foremost task to accelerate the reunification of the divided countries.

The South side is crying that it alone would "unilaterally enter" the United Nations, not minding the North-South dialogue, if the North does not agree to "simultaneous entry." This means that they are not interested in the dialogue for reunification and are only engrossed in the perpetuation of division and creation of "two Koreas," and this is an unpardonable criminal act going against the favorably developing North-South relations and the growing desire of the fellow countrymen for reunification. We will watch the attitude of the South Korean authorities.

Article Urges Disarmament on Korean Peninsula

SK2910052590 Pyongyang KCNA in English
0511 GMT 29 Oct 90

["Disarmament Must Be Realised First on Korean Peninsula"—KCNA headline]

[Text] Pyongyang October 29 (KCNA)—NODONG SINMUN today dedicates a signed article to the opening of a disarmament week worldwide October 24.

What is important in disarmament is to begin it in the area where the danger of war is the biggest, the article says:

The Korean peninsula is an area where the danger of war is the biggest on the globe now. It is an urgent demand of the world peace to remove the danger of war and ease the tensions on the Korean peninsula.

Disarmament is going on in other areas of the world today. The U.S. imperialists, however, are increasing their armed forces of aggression in South Korea.

They are stepping up war preparations still further, converting South Korea into the largest nuclear forward base in the Far East, the firstline attack base of their anti-socialist strategy.

In order to ease the tensions and ensure a genuine peace on the Korean peninsula, it is necessary to drastically reduce the armed forces in the North and the South and withdraw foreign forces and nuclear weapons.

Conscious of its noble responsibility for peace, the government of our Republic put forward a series of reasonable disarmament proposals and is making all sincere efforts for their implementation. The South Korean authorities said that they would cut arms and resolve the non-aggression problem. If they meant what they said, they should affirmatively respond to our disarmament proposal and not hesitate to adopt a non-aggression declaration between the North and the South.

If the United States also wants truly detente on the Korean peninsula and improvement of the DPRK-U.S. relations, it must come out to the DPRK-U.S. talks or tripartite talks at an early date and accede to signing a peace agreement.

The Korean people will in the future, too, energetically struggle to check and frustrate the arms race and war policy of the imperialists, realise the disarmament as a whole and defend world peace in firm unity with the world progressive people.

South Soldiers Called U.S. 'Cannon Fodder'

SK2710112790 Pyongyang KCNA in English
1017 GMT 27 Oct 90

[Text] Pyongyang October 27 (KCNA)—The South Korean "Ministry of National Defence" set one month from the 25th this month as "a period of return" of the deserters of the "ROK Army" and is demanding the deserters from May 16, 1961 up to now to make a "voluntary report" with a threat that they would be arrested if they failed to respond to this, according to a report.

The appeasement of the South Korean authorities and their threat to arrest all the soldiers who have run away from the barracks in nearly 30 years reveals their serious uneasiness about the tendency of refusing to serve as cannon fodder of the U.S. imperialists which is growing intense among the soldiers of the puppet army.

The South Korean authorities are getting more desperate in their efforts to prevent desertion, shocked by the exposure of the political surveillance over citizens by the "Security Command" by a puppet army deserter that has of late created a big stir in the South Korean society.

No Tae-u Has 'Whipped Up Repressive Fever'

SK2810082290 Pyongyang KCNA in English
0808 GMT 28 Oct 90

[Text] Pyongyang October 28 (KCNA)—No Tae-u on October 25 "inspected" by surprise the special detective corps of the puppet Seoul Police Bureau and the Tongdaemun police station and whipped up repressive fever, according to a report.

This "inspection" is very ill-boding because it was timed with the ever-growing sentiments among the South Korean people for reunification with the North-South reunification soccer games in Pyongyang and Seoul and the pan-national concert for reunification in Pyongyang as an occasion.

While mobilizing the puppet army intelligence unit in political surveillance over the civilians, the South Korean authorities are now getting more hysteric in suppression after "declaring a war against crimes."

No's "inspection" reveals that the dictator intends to mobilize a larger police force in suppressing and stifling the ever-mounting people's desire for reunification, criminalizing it.

South's Opposition Party Renounces Cabinet Plan

SK2910111790 Pyongyang KCNA in English
1024 GMT 29 Oct 90

[Text] Pyongyang October 29 (KCNA)—The Democratic Party of South Korea, an opposition party, October 26 made public a statement against the "Democratic Liberal Party Government's scheme of constitutional revision for the parliamentary cabinet system," according to a report.

Recalling that it was recently confirmed by a note that No Tae-u, Kim Yong-sam and Kim Chong-pil agreed on the "constitutional revision" at the time of the three-party merger, the statement expressed surprise at it.

It is an act of ignoring people that Kim Yong-sam has feigned ignorance about the agreement on the "constitutional revision", as if there were no such one, said the statement. It demanded that the "Democratic Liberal Party" renounce the "constitutional revision for the parliamentary cabinet system."

Seoul Music Group Head Discusses Impressions

SK2510091590 Pyongyang KCNA in English 0452 GMT 25 Oct 90

[Text] Pyongyang October 25 (KCNA)—Hwang Pyong-ki, head of the Seoul traditional musical instrumentalist group, which had participated in the grand pan-national concert for reunification held in Pyongyang was interviewed by reporters in the train on the way back to South Korea on October 24. He said his group received welcome and hospitality overflowing with compatriotic feelings beyond imagination in the North.

Noting that the pan-national concert for reunifications ended with a great success, he said our nation alone could think out and practise such a musical festival as the pan-national concert for reunification without precedent in the history of any nation in he world.

"What deeply impressed me was the compatriotic feelings of the people in the North," he said "Slogans and newspaper reports alone are not enough to make us feel the compatiotic sentiments."

"As an artist, not a politician, I would like to say that it is very important for the people in the North and the South to experience the same things as I did and heartily feel the compatriotic sentiments of each other."

"The reunification of the country is a most urgent matter," he continued. "If we musicians make joint efforts as we composed songs for reunification with other musicians, we will be able to make a great contribution to reunification."

"No one will deny the three principles of independence, peaceful reunification and great national unity set out in the July 4 North-South joint statement. These principles are most justifiable," he stressed.

U.S. Justification for Troops in South Denounced

SK3010044790 Pyongyang KCNA in English 0428 GMT 30 Oct 90

["Shameless Sophism of Aggressors"—KCNA headline]

[Text] Pyongyang October 30 (KCNA)—The U.S. imperialists are trying to evade the U.S. troop pullout from South Korea under the pretext of "the situation around the Korean peninsula".

Commenting on this, NODONG SINMUN today says:

Alleging that the DPRK and other socialist countries are increasing armed forces and creating "military threat" in Northeast Asia and other parts of the Asia-Pacific region, they held that it is necessary to "keep U.S. troops in South Korea" for peace and security because the "situation around the Korean peninsula has not changed".

This is a shameless sophism reminding us of a thief crying "stop thief", the news analyst says, and continues:

They are attempting to justify their occupation of South Korea by such despicable means.

It is entirely attributable to the U.S. imperialists' policy of aggression and war that peace and security around the Korean peninsula are endangered and the situation is growing strained.

Deployed in the Asia-Pacific region are the U.S. forces some 130,000 strong, 300 warships of various types and 2,600 planes and thousands of nuclear weapons. And there are 560 U.S. military bases in this region. Most of these armed forces and military bases are concentrated in the Far East.

The U.S. president, defence secretary and other U.S. authorities said that the United States "would not reduce its military power" in the Asia-Pacific region nor change its policy for coping with the "event of contingency", while persistently keeping its armed forces and military bases in the Far East but "further modernize and reinforce" its armed forces in this region.

It is, needless to say, motivated by the intention to step up preparations for the execution of the anti-socialist Asia-Pacific strategy of aggression against our Republic.

After mapping out an operational plan against our Republic under the pretext of "a case of emergency in the Far East and on the Korean peninsula", the United States has ceaselessly staged "Team Spirit" nuclear war exercises and other manoeuvres for its execution.

Yet, they say they will maintain and reinforce their armed forces and nuclear weapons in South Korea for "peace and security", calling others to task for the "situation around the Korean peninsula". This fully reveals the brigandish nature of the U.S. imperialists.

It is thanks to the peaceful policy of the DPRK government that a war does not break out and peace is preserved in Korea, though peace is constantly threatened by the U.S. imperialists on the Korean peninsula.

Vice-Premier Meets U.S.-Korean Businessmen

SK2910112190 Pyongyang KCNA in English 1027 GMT 29 Oct 90

[Text] Pyongyang October 29 (KCNA)—Vice-Premier Kim Pok-sin met a delegation of the Federation of Korean Businessmen in the United States headed by its chairman Kim Chon-yong on a visit to the homeland and had a conversation with it in an atmosphere overflowing with compatriotic feelings at the Mansudae Assembly Hall on October 29.

e-Chairman of the Light Industry Commission Yi ng-nim was on hand.

ext of Li Tieying Banquet Address Reported

SK2810110890 Pyongyang Domestic Service in Korean 1200 GMT 27 Oct 90

[Speech by Comrade Li Tieying, member of the CPC Central Committee Political Bureau, State Councillor, and minister in charge of the State Education Commission, who is leading the Chinese party and Government delegation to the celebrations of the 40th anniversary of the entry of the Chinese People's Volunteers into the Korean front, at a banquet arranged by him at the Kumsusan Assembly Hall on 27 October—read by announcer]

[Text] To the respected Comrade President Kim Il-song and to the comrades of the various leading cadres of the respected Korean party and Government:

Upon invitation, the Chinese delegations, including the Chinese party and Government delegation, the Chinese people's friendship delegation, and the delegation of the former Chinese People's Volunteers [CPV], have been enveloped in the enthusiastic atmosphere of China-Korea friendship, from the first moment of their visit to the fraternal neighborly country, Korea.

The participation of Comrade President Kim Il-song, who is a great leader of the Korean people, to this banquet today is a great honor for us. On behalf of all the Chinese comrades participating here, I send sincere thanks to Comrade President Kim Il-song and the Korean party and Government.

Even though our various delegations' visit to your country was very short, we have very satisfactory results. From the moment of our arrival in Pyongyang, we received an enthusiastic welcome and warm hospitality from the Korean party and Government and the people. In particular, Comrade President Kim Il-song, busy as he was with state affairs, arranged a grand banquet on the occasion of the 40th anniversary of the CPV's entry into the Korean front, met with us personally, and had a very warm and friendly conversation, which deeply moved us. We will never forget Comrade President Kim Il-song's reception and talks.

Through this visit to Korea, we all deeply felt the warm friendship toward the Chinese people by the Korean people, which comes from the bottom of their hearts. Everywhere we went, we saw the happy, smiling faces of workers, peasants, white-haired elders, and innocent children, not to mention cadres and soldiers. While listening to their resounding slogans, we could see their friendly sentiment, as if we were of one family, and also the firm determination to carry out the struggle. After returning home, we will convey to the Chinese people what we felt and directly experienced here and the fraternal friendship of the Korean people.

Today the people of the two countries of China and Korea are separately accelerating their country's economic construction. During our visit to your country, we could see firsthand the great results achieved in the socialist construction by the Korean people, which gave us much inspiration. We were struck with admiration at the revolutionary spirit of the Korean people, who are courageously marching forward, not fearful of difficulties.

We truly hope the fraternal Korean people under the leadership of the Worker's Party of Korea and the government headed by Comrade President Kim Il-song attain new successes in socialist construction and the accomplishment of the far-reaching cause of the independent and peaceful reunification of the fatherland.

Comrades: We are very happy about the friendly relations between the two parties and countries of China and Korea, which are making inspiring developments. The friendship between the two countries was established in the protracted common struggle and withstood grim tests of history, and it has a great vitality.

Through this visit, we have further confidence that the great China-Korea friendship is founded on a firm basis and that this will be handed down from generation to generation between the people of the two countries. No matter how the international situation may change, the China-Korea friendship will be everlasting and will shine long throughout all ages.

Finally, I propose a toast to the great friendship and unity between the people of the two countries of China and Korea; to the prosperity of the DPRK; to the health and long life of Comrade President Kim Il-song, who is a great leader of the Korean people and close friend of the Chinese people; to the health of the respected Comrade Secretary Kim Chong-il; to the health of the comrades of the various leading cadres of the respected Korean party and Government; and to the health of all the Korean comrades who are participating here.

Yi Chong-ok Speech Reported

SK2810120090 Pyongyang Domestic Service in Korean 1200 GMT 27 Oct 90

[Speech by Comrade Yi Chong-ok, member of the Worker's Party of Korea Central Committee Political Bureau and vice president, in a banquet arranged by Comrade Li Tieying, member of the CPC Political Bureau, State Councillor, and minister in charge of the State Education Commission, who is heading the Chinese party and Government delegation to the celebrations of the 40th anniversary of the entry of the Chinese People's Volunteers into the Korean front, at the Kumsusan Assembly Hall on 27 October—read by announcer]

[Text] To the respected Comrade Li Tieying, various comrades from China, and comrades:

I am very happy today that we are able to meet with the friendly Chinese comrades-in-arms again and share comradely friendship.

First of all, upon authorization, I express deep gratitude to the Chinese comrades for having provided such a significant occasion and for having kindly invited us. The people of the two countries of Korea and China jointly successfully celebrated the 40th anniversary of the Chinese People's Volunteers's [CPV's] entry into the Korean front. Various commemorative events amidst the warm friendship tied by blood and the fraternal love between the people of the two countries of Korea and China further abundantly decorated the friendship flower garden of Korea and China. This became an important opportunity for vigorously displaying their invincibility at home and abroad.

While celebrating the 40th anniversary of the CPV's entry into the Korean front with Chinese comrades, we keenly felt once again that no force on earth could separate the people of the two countries of Korea and China who are closely united as true comrades-in-arms and class brothers, sharing life and death for a long time.

The great leader Comrade Kim Il-song personally received the various delegations from China and made a very important statement on further consolidating and developing the great Korean-Chinese friendship.

Our people deem it a great honor and are most proud that the traditional relations of friendship between Korea and China are steadily blooming and developing under the particular care and consideration of the party and state leaders of the two countries. Advancing under the uplifted banner of socialism is the unshakable will of our two parties, two governments, and two peoples. Supporting and cooperating with each other on this road is a noble trait of the people of the two countries of Korea and China.

As emphasized by the Chinese comrades, the PRC was not founded easily but was based on the red blood and lives of numerous revolutionary patriotic forefathers. By firmly safeguarding the gains of this revolution, the great Chinese people are devoting all their energies so the socialist banner can be fluttering forever over the Chinese land.

In the high mettle of the CPC and the Chinese people who are linking their fate with socialism and resolutely moving along that road, the Korean people are forecasting that the appearance of a modern socialist China will be deeply rooted in the vast Chinese land, which will be rich and prosperous. We truly wish the fraternal Chinese people under the leadership of the CPC, with respected Comrade Jiang Zemin as the core, more brilliant successes in their efforts to consolidate the stability and unity of the country and build socialism with Chinese characteristics.

The Chinese comrades expressed vigorous support and solidarity for the just cause of our people in constructing socialism and for the country's independent and peaceful reunification. This kind of support and encouragement by the Chinese comrades is very precious and gives us much inspiration.

Our people will highly uphold the great leader Comrade Kim Il-song and unite in one mind around our party to strengthen the might of our socialism in every way. No matter which way the wind may blow, our people will always fight in close unity with the fraternal Chinese people on the road toward the victory of the cause of socialism. The friendship between the people of the two countries of Korea and China that was formed by blood amid the flames of the arduous revolutionary struggle and that overcame all kinds of ordeals in history will be immortal.

Finally, at this place, where fraternal friendship overflows, I propose a toast to the everlasting militant friendship and unity between the people of Korea and China; to the long life of the respected Comrade Deng Xiaoping, Comrade Jiang Zemin, Comrade Yang Shangkun, and Comrade Li Peng; to the long life of the great leader Comrade Kim Il-song; to the long life of the dear leader Comrade Kim Chong-il; to the health of the respected Comrade Li Tieying; to the health of the various Chinese comrades; and to the health of the various comrades participating here.

Li Tieying Visits Mangyongdae, Other Sites

SK2810105090 Pyongyang Domestic Service in Korean 1300 GMT 26 Oct 90

[Text] On 24 October, the Chinese party and Government delegation led by Comrade Li Tieying, member of the CPC Central Committee Political Bureau, State Councillor, and minister in charge of the State Education Commission, visited Mangyongdae.

Comrade Choe Tae-pok, alternate member of the Worker's Party of Korea [WPK] Central Committee Political Bureau and secretary of the party Central Committee, and Kim Yang-kon, deputy director of the WPK Central Committee, accompanied the delegation.

The guests, while visiting the great leader Comrade Kim Il-song's house in his home town of Mangyongdae, listened to the explanation of his immortal revolutionary history and of the revolutionary house. The guests attentively looked at the relics preserved in this historic house. To commemorate visiting Mangyongdae, the guests posed for photographs in front of the old house.

After looking over the place, the head of the delegation wrote as follows in the guest book:

I pray for the long life of President Kim Il-song, who is a great leader of the Korean people and a close friend of the Chinese people.

Today, the delegation visited the Sohae floodgate. At the entrance of the floodgate, (Pak Myong-tok), chairman of the Administrative and Economic Guidance Committee of Nampo, greeted the guests. A female worker gave a bouquet of flowers to the head of the delegation.

The guests listened to the explanation of how our people displayed the revolutionary spirit of self-reliance under the wise leadership of the party and magnificently built the floodgate in such a short time. Then, the guests went to the observatory and had a bird's-eye view of the floodgate and the great artificial lake.

After looking over the place, the head of the delegation wrote in the guest book that the Sohae floodgate is a great construction and a pride of the people.

Today, the delegation visited the Great Study Hall of the People and the Mangyongdae Children's Palace. They also saw a comprehensive performance by the members of the artists of the Palace.

Before visiting these places, the delegation also visited the May Day Stadium and Chongchun Street.

Li Tieying Delegation Departs

SK3010110690 Pyongyang KCNA in English 1058 GMT 30 OCT 90

[Text] Pyongyang October 30 (KCNA)—The party and government delegation of China led by Li Tieying, member of the Political Bureau of the Central Committee of the Communist Party of China, State Councillor and minister in charge of the State Education Commission, left for home today, successfully concluding its visit to Korea for participating in the celebrations of the 40th anniversary of the entry of the Chinese People's Volunteers into the Korean war.

The delegation was seen off at the airport by Choe Tae-pok, alternate member of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea [WPK], Kim Yang-kon, vice-director of a department of the WPK Central Committee, Chinese Ambassador to Korea Zheng Yi and others.

A farewell function took place at the airport.

During its stay, the delegation visited Mangyongdae, the West Sea Barrage, the Grand People's Study House, the May Day Stadium and other places.

It also toured Kangwon Province, visited the honored Red Flag Huang Jiguang Senior Middle School, had a rest at Mt. Kumgang and was feted by the Kangwon Provincial Administration and Economic Guidance Committee.

PRC Sports Delegation Visits Country's Sites

SK3010120090 Pyongyang Domestic Service in Korean 1300 GMT 28 Oct 90

[Text] The Chinese sports delegation headed by Wu Shaozu, minister of the State Physical Culture and Sports Commission, visited Mangyongdae since its arrival.

The guests, while visiting the hometown Mangyongdae, listened to the explanation of the brilliant revolutionary history of the respected leader Comrade Kim Il-song and of the revolutionary house. They also attentively looked at the historic sites which were preciously preserved.

To commemorate visiting Mangyongdae, the guests posed for photographs in front of the old house and then looked at the revolutionary historical sites of Mangyongbong.

The delegation visited the Sohae floodgate. The guests went to the observatory and listened to the explanation of how our people displayed the revolutionary spirit of self-reliance under the wise leadership of the party and magnificently built the universal floodgate in such a short time. They also took a bird's-eye view of the floodgate.

After looking over the place, the head of the delegation wrote in the guest book that the Sohae floodgate which was built under the leadership of the great leader of the Korean people, President Kim Il-song, is a miraculous creation.

The delegation also visited various sports facilities in Pyongyang including the stadiums in Chongchun Street with great interest.

Sports Commission Signs Protocol

SK2910052990 Pyongyang KCNA in English 0517 GMT 29 Oct 90

[Text] Pyongyang October 29 (KCNA)—The 1991 protocol on sports exchange between the State Sports Commission of our country and the State Physical Culture and Sports Commission of China was signed here Sunday.

Attending the signing ceremony on our side were Kim Yu-sun, chairman of the State Sports Commission of our country, and other officials concerned and on the opposite side were members of the Chinese sports delegation headed by Wu Shaozu, minister of the State Physical Culture and Sports Commission, and a councillor of the Chinese Embassy here.

The protocol was signed by Kim Yu-sun and Wu Shaozu.

Chinese Editorial on Friendship Since Korean War

SK2710112890 Pyongyang KCNA in English 1012 GMT 27 Oct 90

["Great Friendship Forged With Blood"—KCNA headline]

[Text] Beijing October 25 (KCNA)—The CHINESE PEOPLE'S DAILY October 25 carried an editorial titled "Great Friendship Forged With Blood" on the occasion of the 40th anniversary of the entry of the Chinese People's Volunteers [CPV] into the Korean war.

Noting that in the course of the three-year-long arduous and bloody struggle, the CPV courageously fought, sharing life and death, sweets and bitters with the officers and men of the Korean People's Army giving full play to a high degree of patriotism and internationalist spirit under the warm care of the Korean people and eventually defeated the strong enemy, the editorial elaborated on the significance of the great victory.

The great friendship forged with blood between the peoples of China and Korea has steadily strengthened and developed, overcoming all sorts of rigorous trials for 40 years, the editorial said, and stressed:

In recent years, the leaders of the two countries have further consolidated friendship between the two countries through mutual visits on several occasions.

China and Korea have closely cooperated and supported each other in the international arena.

The Chinese Government and people invariably support the righteous cause of the Korean people for the peaceful reunification of the country.

The U.S. troops still stationing in South Korea must go home at an early date and the question of the peaceful reunification of the country must be solved by the Korean people themselves without any outside interference.

China and Korea, linked to each other by mountains and rivers, are friendly neighbouring countries with the relationship of lips and teeth. The two peoples are comrades-in-arms and brothers who share life and death.

We are convinced that the deep feelings of friendship between the two peoples and the friendly and cooperative relations between the two countries will be handed down through generations, the editorial stressed.

Shanghai, Thai Delegations Arrive for Visits

SK2610113190 Pyongyang KCNA in English 1115 GMT 26 Oct 90

[Text] Pyongyang October 26 (KCNA)—A Shanghai municipal friendship delegation of China headed by Ni Hongfu, deputy secretary of the Shanghai Municipal Committee of the Communist Party of China, arrived in Pyongyang today by train for a visit to Hamhung.

On October 25, a delegation of Srinakharinwirot University of Thailand headed by its vice-president Natthapong Charoenphit came here by train.

Yon Hyong-muk Congratulates Libyan Leaders

SK1810051690 Pyongyang KCNA in English 0448 GMT 18 Oct 90

[Text] Pyongyang October 18 (KCNA)—Premier Yon Hyong-muk of the Administration Council sent a message of greetings to 'Abu-Zayd 'Umar Durda upon his election as secretary of the General People's Committee of the great Socialist People's Libyan Arab Jamahiriyah.

The message expresses the belief that the friendly and cooperative relations between the two countries will further strengthen through the joint anti-imperialist struggle.

Foreign Minister Kim Yong-nam sent a message of greetings to Ibrahim Muhammad 'al-Bishari upon his election as secretary of the People's Committee of the People's Bureau for Foreign Liaison and International Cooperation of the great Socialist People's Libyan Arab Jamahiriyah.

Bulgaria Sends Message on DCRK Proposal

SK2510132390 Pyongyang Domestic Service in Korean 1300 GMT 17 Oct 90

[Text] Marking the 10th anniversary of the great leader Comrade Kim Il-song's proposal for founding a democratic confederal republic of Koryo [DCRK], the chairman of the Korean Committee for Asian-African Solidarity received a message of solidarity from the chairman of the Bulgarian Committee for Solidarity With the Asian and African People.

The message said Bulgaria's social circles have always paid great attention to the Korean people's efforts for the peaceful reunification of their country. Indicating that realization of the proposal for founding the DCRK—advanced by President Kim Il-song at the Sixth Congress of the Workers Party of Korea in October 1980—is the most important step toward Korea's reunification, the message stressed early realization of the proposal and wished the Korean people success in their patriotic struggle for peaceful reunification of the country.

NODONG SINMUN Reports German Unification

WA2910023090 Pyongyang NODONG SINMUN in Korean 5 Oct 90 p 6

[Text] Pyongyang, 5 October—According to a report, East and West Germany have merged and became a unified nation on 3 October.

The same day, a formal function to commemorate German unification was held in the Berlin Philharmonic Hall.

President Richard von Weizsaecker spoke on the occasion.

There was a flag-raising ceremony in front of the Bundestag building.

From this year, Germany will commemorate 3 October as the founding day of the Federal Republic of Germany.

Kim Il-song Meets Italian Radio Bureau Chief

SK2610114990 Pyongyang KCNA in English 1106 GMT 26 Oct 90

[Text] Pyongyang October 26 (KCNA)—The great leader President Kim Il-song on October 26 received

Ilario Fiore [name as received], chief of the bureau of the Italian radio and television for Far East in Beijing, on a visit to Korea.

Present on the occasion were Kwon Min-chun, vice-director of a department of the Central Committee of the Workers' Party of Korea, and Yi Chol-sin, vice-chairman of the Korean Society for Cultural Relations with Foreign Countries.

President Kim Il-song conversed with the guest in a warm and friendly atmosphere.

He was presented with a gift by the guest.

He arranged a luncheon for the guest.

Kim Yong-sun Meets Portuguese Party Leader

SK2610052590 Pyongyang KCNA in English 0507 GMT 26 Oct 90

[Text] Pyongyang October 26 (KCNA)—Talks were held in Paris on October 21 between head of the delegation of the Workers' Party of Korea [WPK] Kim Yong-sun, secretary of the Central Committee of the WPK, and Blasco Hugo Fernandes, chairman of the Democratic Intervention of Portugal, who participated in the World Conference for One Reunified Korea By Means of Founding the democratic confederal republic of Koryo.

Exchanged at the talks were views on a series of matters of common concern.

The talks proceeded in a friendly atmosphere.

WPK Delegation Meets Maltese Communists

SK2510050690 Pyongyang KCNA in English 0429 GMT 25 Oct 90

[Text] Pyongyang October 25 (KCNA)—Talks was held in Paris on October 21 between the delegation of the Workers' Party of Korea [WPK] headed by Kim Yong-sun, secretary of the WPK Central Committee, and the delegation of the Communist Party of Malta headed by its general secretary A. Vassalo which participated in the World Conference for Reunified One Korea by the Founding of the Democratic Confederal Republic of Koryo.

A series of matters of common concern were discussed at the talks.

It took place in a friendly atmosphere.

Norwegian Group Publishes Kim Il-song's Works

SK1310110090 Pyongyang KCNA in English 1008 GMT 13 Oct 90

[Text] Pyongyang October 13 (KCNA)—The work of the great leader President Kim Il-song "Let Us Accomplish the Cause of Socialism and Communism Under the Revolutionary Banner of Chuche" was published in booklet by the Norway-Korea Friendship Association.

The booklet says in the preface:

Comrade Kim Il-song, president of the Democratic People's Republic of Korea, delivered a report "Let Us Accomplish the Cause of Socialism and Communism Under the Revolutionary Banner of Chuche" at the meeting held on September 8, 1988 to celebrate the 40th founding anniversary of the DPRK.

In his report he reviewed the proud achievements made by the Korean people in socialist and communist construction under the banner of the chuche idea, unfolded a far-reaching blueprint for the accomplishment of the cause of communism and indicated tasks to promote national reunification and make the whole world independent.

The work is of weighty significance in the Korean people's struggle for completing the cause of socialism and communism, promoting the country's reunification and pushing ahead with the cause of global independence.

Kim Il-song Receives Gift From Nepalese Premier

SK1910232190 Pyongyang KCNA in English 1508 GMT 19 Oct 90

[Text] Pyongyang October 19 (KCNA)—The great leader President Kim Il-song received a gift from Krishna Prasad Bhattarai, prime minister of the Government of the Kingdom of Nepal.

The gift was handed to an official concerned by Indradev Singh [name as received], member of the Central Executive Committee of the Nepali Congress (Party), on a visit to Korea.

Guinean President Sends Gift to Kim Chong-il

SK1810052290 Pyongyang KCNA in English 0445 GMT 18 Oct 90

[Text] Pyongyang October 18 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from Lansana Conte, president of the Military Committee of National Redressment, president and head of state of the Republic of Guinea.

The gift was conveyed to an official concerned by Babacar N'diaye, permanent secretary of the Military Committee of National Redressment of Guinea, on a visit to Korea.

Daily Says 'Imperialists' Preventing Independence

SK2910053490 Pyongyang KCNA in English 0519 GMT 29 Oct 90

["Trend of Times Towards Independence Cannot Be Checked"—KCNA headline]

[Text] Pyongyang October 29 (KCNA)—No matter how desperately the imperialists may try, the world will advance along the road of independence in the future, too, and the desire of the people to live in a new free and peaceful world will be realised without fail.

NODONG SINMUN October 28 says this in a by-lined article entitled "Trend of the Times Towards Independence Cannot Be Checked".

No matter how desperately they may try, the imperialists cannot turn back the wheel of history and bar the advance of the world toward independence, the article says, and continues:

The imperialists cannot block the cause of independence because its accomplishment is the law-governed requirement of historical development and the common desire of the world people.

Independence is the life and soul of man as well as the country and the nation, while the process of the development of human history is precisely the process of realising the independence of the popular masses.

If the independence of the country and the nation is to be ensured, it is imperative to make the world independent.

Global independence is a prerequisite to the independence of the country and the nation, precisely because the destinies of each country and nation are closely related to the common destiny of mankind and international relationship is becoming closer with the progress of human society.

As long as the popular masses remain the driving force of history and mankind exists, the cause of global independence which reflects the common desire and aspirations of world people is sure to triumph. There may be vicissitudes in history, but the reaction of history has never defeated the driving force of history nor can it do so.

The process of the historic development tells that nothing can stop the advance of history.

The imperialists, the reaction of history, are trying to prevent the independence of the world and maintain the society in which exploitation and oppression of man by man prevails and the old international order of domination and subjugation. But this is a last-ditch effort of the doomed.

The reckless moves of the imperialists who are stubbornly resorting to the policy of aggression and war while militarizing the economy and stepping up arms race in an attempt to bar the trend of the times towards independence will only make their own position difficult.

The global independence is closely connected with the cause of socialism. Socialism is the most powerful force to defend world peace and develop the people's cause of independence. Only when the world is made independent can the victory of socialism and communism be accelerated.

Red Flag Movement Brings Radical Changes

SK2910110190 Pyongyang KCNA in English 1008 GMT 29 Oct 90

["Mass Movements in Korea"—KCNA headline]

[Text] Pyongyang October 29 (KCNA)—The Three-Revolution Red Flag Movement is in full progress in Korea.

This is an all-people movement to meet the requirements of chuche in ideology, technology and culture and propel the revolution and construction.

Dear Comrade Kim Chong-il kindled the flames of this movement in 1975 by developing in depth the Chollima workteam movement launched in the 1950s as required by the developing reality.

Over the last 15 years, about 5,800 units have received three-revolution red flags once or twice and hundreds of thousands of working people become standard-bearers of the three-revolution flag.

In this period, some 1,300 people have become heroes and 15,500 grown to be unassuming people of merited services.

The Three-Revolution Red Flag Movement has brought about a radical change in the ideological and moral traits and work style of working people and enormous achievements in socialist construction.

The industrial production annually rose 15.9 percent on an average and the gross industrial output value increased 3.8 times in the 1970s.

In the 1980s, this movement, together with the movement for the creation of the "speed of the 1980s," resulted in markedly increasing the economic potentials of the country.

An ore dressing plant with an annual capacity of ten million tons and a 10,000-ton press were built and manufactured in one year or so, and there appeared many monumental edifices such as the Tower of the Chuche Idea, the Arch of Triumph, the grand People's Study House and Changgwang Street.

The West Sea barrage, one of the biggest of its kind in the world, was built in five years and such miraculous speed was created one after another, with the result that the looks of the country have changed fundamentally.

The total floor space of residential and public buildings erected in the capital city of Pyongyang in the 1980s was 2.3 times that of the 1970s.

The first mass movement in Korea started when the great leader President Kim Il-song kindled the flames of the onward movement for increased production at the Pyongyang railway factory (now the Kim Chong-tae electric locomotive complex) in November 1945.

This movement developed into an all-people general ideological mobilization movement for nation building in November next year and further into the Chollima movement and the Chollima workteam movement in the latter half of 1956.

In the course of the Chollima movement, the historical task of socialist industrialization was brilliantly fulfilled in 14 years.

In the 1957-1970 period of industrialization, the industrial output of the nation annually increased 19.1 percent on an average.

The vigorous mass movements in Korea give a powerful impetus to socialist construction.

Meeting Marks Anniversary of Wonsan University

SK2910050790 Pyongyang KCNA in English 0455 GMT 29 Oct 90

[Text] Pyongyang October 29 (KCNA)—A meeting was held on October 28 to mark the 30th anniversary of the founding of the Wonsan University of economics, a training centre of economic managers of the country.

A congratulatory message of the Central Committee of the Workers' Party of Korea to the teachers and students of the university was read out at the meeting.

The message says that the university has equipped its students with fundamental principles of socialist management of economy and the knowledge of economic management and brought them up to be competent workers who are able to manage the socialist economy in a scientific and rational way as required by the Taean work system.

Today, the university has been turned into a reliable training centre of native cadres which has competent teachers and researchers who are faithful to the party and the revolution and with uptodate educational facilities, the message points out.

The message highly praises the teachers and students of the Wonsan University of Economics who over the past 30 years have made remarkable successes in the training of economic managers and in scientific researches by devoting all their wisdom and energies with ardent loyalty to the party and the leader.

Then, President Kim Kwan-muk delivered a report.

He recalled that on September 1, 1960, the great leader Comrade Kim Il-song founded the Wonsan Univeksity of Economics for the purpose of training economic managers in keeping with the ever-growing economic potentials of the country and indicated the road ahead of the university.

Dear Comrade Kim Chong-il, with an insight into the urgent requirements of the developing national economy in the 1970s, clarified the aim and target of the university and provided all conditions for its strengthening and development, the reporter stressed.

Building Materials Factory Construction Noted

SK2610100990 Pyongyang KCNA in English 1001 GMT 26 Oct 90

[Text] Pyongyang October 26 (KCNA)—Modern building-material factories are now taking shape simultaneously in Yanggang Province, a northern inland [as received] of Korea.

They include a steel mill with a 10,000 tons capacity, an asbestos pipe factory with 5,000 metres capacity, a magnesia roofing sheet factory with a 200,000 square metres capacity, a calcium silicate brickyard with a capacity of 34 million bricks.

These projects have entered the finishing stage in less than one year after their ground-breaking.

These factories will fully meet the demands of the province for good-quality building materials of various kinds.

Brewery, Electronic Factories Under Construction

SK2710102390 Pyongyang KCNA in English 1009 GMT 27 Oct 90

[Text] Pyongyang October 27 (KCNA)—A modern computer factory is being built in the eastern area of Pyongyang.

The factory with a total floor space of 12,000 square metres will turn out different types of computers and electronic calculators and different kinds of electronic parts.

The plant will greatly help toward increasing the independence of electronic and automation industries and realising the scientification of management activity.

A modern beer-brewery is under construction in Nampo.

The brewery with a plottage of 26,000 square metres will produce thousands of kilo-litres of beer, cider and syrup.

All its production processes from raw material-charging, sorting, refining, filtering and packing will be streamlined.

A calcium silicate brickyard is being built at a fast speed in Chongjin, an industrial city. Assembling of equipment is now being stepped up at the final stage.

Editorial on 'Revolutionary Spirit of Chuche'

SK2910111590 Pyongyang KCNA in English 1016 GMT 29 Oct 90

[Text] Pyongyang October 29 (KCNA)—All the party members and working people must have the revolutionary spirit of chuche and live and struggle as required by it, in conformity with the enormous revolutionary tasks facing us and the demands of the prevailing situation, stresses NODONG SINMUN in an editorial today.

The editorial quotes dear Comrade Kim Chong-il as saying:

"In our country the ideological revolution has been vigorously carried on under the leadership of the party to make the whole society replete with the revolutionary spirit of chuche. As the result, all the moves of the imperialists and reactionaries to infiltrate the bourgeois ideology within us have been thoroughly shattered and our socialism is giving full play to its vitality."

The editorial says:

The revolutionary spirit of chuche is a motive force that unites rock-firm the entire people around the party and the leader and inspires the people with matchless mass heroism and exploits.

With a view to smashing the imperialists' ever-intensified anti-revolutionary manoeuvres, defending and accomplishing the cause of socialism and promoting national reunification, the entire people must fully display the revolutionary spirit of chuche.

In order to make the revolutionary spirit of chuche prevail in the whole society, everyone should be deeply aware of the greatness of the chuche idea and of the history in which this revolutionary spirit has been inherited under the leadership of our party, the editorial notes, and stresses:

The revolutionary spirit of chuche possessed by our party members and working people should be fully displayed in the practice of the revolution and construction.

The entire people must add glory to the homeland of chuche, deeply mindful of the pride of living in the most superior socialist system in which the chuche idea has been embodied and of the high national pride in having the great leader, the great party and the great guiding idea.

Their revolutionary spirit of chuche should be displayed also in valuing and consolidating the party's unity.

All the functionaries and working people, under any circumstances, must live, believing in their party and leader and entrusting all their destiny to the party and always think and act according to the ideology and will of the party.

The revolutionary spirit of chuche is a pure one that does not allow any alien ideology.

All the functionaries and working people must not allow any ideology contrary to the chuche idea to be infiltrated into our party and revolutionary ranks but staunchly struggle against the imperialists' crafty ideological and cultural infiltration and reactionary offensive.

Significance of Kim Chong-il Treatise Discussed

SK2810072290 Pyongyang Domestic Service in Korean 0114 GMT 8 Oct 90

[NODONG SINMUN 8 October Editorial: "A Programmatic Work Which Has Immortal Significance in Strengthening and Developing the Party and in Carrying Out the Cause of Socialism"]

[Text] The significant day of the 45th anniversary of the founding of our glorious party is drawing near. Upon receiving the treatise, "The Workers Party of Korea [WPK] Is the Organizer and Guide of all Victories of Our People," which the dear Comrade Kim Chong-il published on the occasion of the 45th anniversary of the founding of the party, all party members and the working people throughout the country are now filled with incomparable emotion and joy. Dear Comrade Kim Chong-il's publication of the immortal document constitutes a great felicitous event which so brilliantly commemorates the 45th anniversary of the founding of our party, which has traversed the road of victory and glory.

With the publication of this document, our people have been equipped with an ideological and theoretical weapon which is infinitely precious in strengthening and developing the party and in carrying out the revolutionary cause. The system and content of the document and all the ideologies and theories elucidated in it are characterized by the great chuche idea and are filled with the resolute will to strengthen and develop the party and to consummate the revolution to the end under the banner of the chuche idea. The publication of the document is also a vigorous demonstration of the greatness and vitality of the chuche idea. It also constitutes the verification of the truth that the revolutionary party of our times should be built, strengthened, and developed with the chuche idea as its guiding principle.

The document, which contains extraordinarily abundant contents, is a revolutionary banner that makes it possible to further develop and enrich the theory of chuche-oriented party building and to vigorously accelerate the revolutionary cause of chuche. The document is a historic document that has synthesized the rich experiences and brilliant achievements our party has attained and registered while creatively pioneering a new road of development.

In the document, the dear Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the party Central Committee, mentions: In traversing a long and arduous road under the banner of the chuche idea, our party has registered achievements for the freedom and happiness of the people and for the grandeur and prosperity of the fatherland, all of which will be recorded in history forever.

Throughout its long and auduous history, from the time of its birth out of the deep root of anti-Japanese revolution until now during the nineties, our party not only has carried out serious social reforms and tremendous construction projects, but it has also reliably defended the fatherland and the revolution. Thus, it has made valuable contributions in developing the revolution of the world. In this historic course, our party not only has been strengthened and developed into the revolutionary party of a new type, the party of a chuche type, but it has also demonstrated its might as a tested and militant party that leads the revolution and construction to victory. The document precisely constitutes a brilliant record of the victories won in this glorious course and the experiences attained in the course of party building.

Because of this, the document leads our party members and working people to deeply cherish in their hearts not only the infinite dignity and pride of having the great party that has created a glorious and brilliant history but also the absolute trust in the prestige of the party's leadership. The document is also a precious guiding principle that has brilliantly elucidated the path enabling us to further strengthen the party, to enhance its leadership role, and, thus, to ensure that it outstandingly fulfills its heavy mission for the Korean revolution and the world's revolution.

A long history has passed since the party of the working class emerged and the cause of socialism began. However, there are still numerous difficulties and barriers and tremendous historic tasks on the road of revolution. Furthermore, the cause of socialism, the cause of mankind's independence, has today encountered the grave challenge of the imperialists. The document, published at such an historic conjuncture, clarifies the correct way of strengthening the party and its leadership in the revolution. Thus, it elucidates the guiding principle that enables us to lead the cause of socialism and communism straight to victory by surmounting all sorts of difficulties and obstacles. Because of this, the document leads the people to foresee with certainty their bright future under the WPK's leadership and to deeply cherish in their hearts the firm faith in certain victory that will result when they follow the party, entrusting their destinies to it.

Dear Comrade Kim Chong-il's publication of the document is of great theoretical and practical significance in ensuring that our party performs the mission and role as the organizer and guide of all victories. The significance of the document lies in the fact that it clearly elucidates, first of all, the basic problems that arise in the party's leadership toward victory in the cause of socialism.

As indicated in the document, the party's leadership is the lifeline of the cause of socialism. In the past, present, and future, the victory of the cause of socialism cannot be contemplated without the party's leadership. The document declares that the party's leadership is the decisive guarantee for strengthening the main force of the cause of socialism and for enhancing its role. It also declares that the party's leadership is the basic condition for advancing the cause of socialism through correct strategies and tactics of struggle; it is an indispensable requirement for consistently adhering to and thoroughly embodying the revolutionary principle in the course of carrying out the cause of socialism. The document stresses that the party's leadership is also necessary for building and developing the communist society in the future.

These propositions—which have been vigorously proven not only in principle but also in our party's experiences and successes in struggles—constitute a scientific explanation of the urgent and pressing problems that will determine the success of the cause of socialism. Such historic achievements will be further glorified with the victorious advance of the cause of socialism, the cause of mankind's independence.

Another significant aspect of the document is that it elucidates the path that enables us to strengthen and develop our party into the revolutionary party of a chuche-type forever. The honor and characteristics of our party and the high prestige and strong might of its leadership lie in the fact that it has become the revolutionary party of a chuche-type. The destiny of our fatherland and nation, the people's happiness, and the prosperity of the times depend entirely upon enhancing by all means our party's combat capability and its leadership ability by invariably strengthening and developing it into the party of a chuche-type.

In stressing that our party's revolutionary character as the party of a chuche-type should be thoroughly adhered to, that the party's unity and cohesion should be defended and further consolidated, and that kindred ties between the party and the masses should be grounded like bedrock by firmly rallying the broad segments of the masses around the party, the document elucidates directions and ways for these realizations. This ideology, theory, and policy to strengthen the party becomes an immortal banner which forms our party into one which has been built and made active with the chuche idea as its guiding principle. It also makes it the glorious party that inherits the lineage of chuche—which started from the Down-With-Imperialism Union—generation after generation.

The great significance of the document also lies in the fact that it enables our party to more firmly deepen its might and constantly enhance its leading role by clearly elucidating the ways for the party to strengthen its leadership. Based on the chuche idea, our party advanced the new principle that its work with the people is the basis of party work, and this has constantly strengthened the party's leadership. This principle that our party has consistently followed in its work is a correct guideline which makes it possible to firmly consolidate and strengthen the party and the ranks of the revolution organizationally and ideologically. It is also the basic principle for party building which makes it possible to brilliantly fulfill all the party's difficult and vast tasks by strengthening its political leadership in the whole society.

Elucidated in the document are the policies on party work that result from strengthening the party's leadership, putting primary emphasis on the work with the people. These include the policy that the party's duty is to perform as a motherly party that assumes responsibility for the popular masses' destiny; the policy on embodying the party and political method; and the policy on correctly establishing the party internal work system and the party leadership system. With the presentation of these unique policies, it is possible not only to thoroughly embody the demands of the chuche idea in which man is placed in the center in fulfilling party work and in which everything serves man, but also to enhance by all means the party's leadership role in conformity with the realistic demands of socialist construction.

In particular, these chuche-oriented party work policies set by our party have become a programmatic guiding principle in thoroughly eliminating the old work method and in conducting party guidance in conformity with the political method of the party of the working class while continuously strengthening the party's leading position.

The advent of the document, "The Workers Party of Korea Is the Organizer and Guide of all Victories of our People," is clear proof of the greatness and wisdom of our party, which has attained rich party-building experiences and registered brilliant achievements by leading the cause of building the party of a chuche type along the single road of victory. The cause of party building among the working class is brilliantly pioneered by a great leader [yongdocha] and is inherited and consummated by him.

The great leader Comrade Kim Il-song—who, already in his early days, expounded the line of building a revolutionary party of a new type which adopts the chuche idea as its guiding principle—has wisely led the entire course of building our party for its 60 long years, from the time of his founding of the first party organization of a chuche type amid the flames of the anti-Japanese revolutionary struggle until today, when the party has been strengthened and developed into an invincible revolutionary party. During this period he has attained extraordinarily rich and multilateral experiences in party building.

These great achievements and experiences attained by the respected and beloved leader have become precious assets in consummating the cause of building our party. Our party, by thoroughly adhering to the chuche-oriented party-building theory and policy expounded by the respected and beloved leader Comrade Kim Il-song and by brilliantly inheriting and developing them, has registered great progress in party building and in carrying out the revolutionary cause.

In presenting a far-reaching plan to build the party with a view to the future, dear Comrade Kim Chong-il has wisely led the work of strengthening the party organizationally and ideologically and of enhancing the party's leadership role under the slogan of modeling the entire party after the chuche idea. Over this course, the revolutionary character of our party as a chuche-type party has become clearer. Our party has been strengthened and developed into a party that has been firmly united and based on the chuche idea and in which the unitary ideological system has been firmly established. Our party has also been strengthened and developed into an ever-victorious and invincible party which is struggling to consummate the revolutionary cause of chuche by forging kindred ties with the popular masses and by enhancing their role.

The document extensively contains the unique party building theories and party work policies expounded by the dear Kim Chong-il in the course of deepening and developing the cause of building the party of a chuche type onto a new plateau and also the rich experiences attained in party building. Because of this, the document has become not only an immortal document that occupies the monumental position in the party-building history of the working class, but also a militant banner that enables us to inherit and consummate the cause of building our party to the end.

Today our party members and people are faced with the heavy task of more vigorously accelerating the cause of building our party and the cause of socialism by firmly grasping the ideological and theoretical policies expounded by the dear Comrade Kim Chong-il's document, "The Workers Party of Korea Is the Organizer and Guide of All Victories of our People." We should vigorously conduct studies on the document throughout the entire party. For our party members and the working people to firmly arm themselves with the ideology and theory elucidated in the document is a very important task. This will enable them to more deeply understand the greatness of our party and to thoroughly embody the party's leadership in the revolution and construction.

In particular, today when the imperialists and all sorts of reactionaries are viciously scheming to obliterate the cause of socialism, we should continue to strengthen the work of arming ourselves with the revolutionary theory which has been proven in the historic struggle for building our party.

All functionaries, party members, and the working people should conduct in-depth studies on the document, regarding it as an important occasion for cultivating their minds to prepare themselves more firmly to become revolutionary fighters who are infinitely loyal to the party's cause. We should consistently study not only today's overall ideologies and systems but also the profound content reflected in every sentence and every phrase of the document. In particular, party members should concentrate all their efforts on the work of arming themselves with the theory of building a chuche-oriented party, cherishing in their hearts the lofty awareness of being members of the glorious WPK.

Cherishing in one's heart the great pride and honor of carrying out the revolution under the leadership of the great party and a firm faith in the party is precisely the requirement for vigorously waging the work of implementing the tasks elucidated in the document. Dignity and pride of one's party are closely linked to one's firm faith in the greatness of the leader who leads the party's cause.

All party members and the working people should deeply cherish in their hearts the great pride and honor of carrying out the revolution. They should hold in the party's and the state's highest esteem the respected and beloved leader Comrade Kim Il-song, the great founder and leader of our party, who has led the entire course of building our party and our revolutionary cause over 60 long years along the single road of victory. They should follow his leadership.

We should more firmly have the faith in certain victory that as long as there exists the leadership of the dear Comrade Kim Chong-il, who is leading our party and people to the bright future through his extraordinary wisdom and tested leadership acumen, we can consummate the revolutionary cause of chuche without fail. Thus, we should become genuine revolutionaries who firmly follow only the party and the leader, sharing our destinies with the party, under any circumstances.

We should also thoroughly embody the tasks set forth in the document in the practice of party building and party work and, thus, should enhance by all means the party's might and combat capability in conformity with the demands of the developing revolution. In deeply realizing that the bright future of our people and the victory of the cause of socialism rest with strengthening the party's might, party organizations and functionaries at all levels should effect a new turn in the overall sectors of party work. In particular, they should concentrate greater efforts on strengthening the unity and cohesion of the party based on the chuche idea and on constantly strengthening the kindred ties between the party and the popular masses. They should also thoroughly turn party work into work with man. Through the work with man, they should more firmly deepen our party's might and constantly enhance its leadership role.

Party organizations at all levels should correctly establish detailed plans and ways to embody the tasks set forth in the document and consistently push ahead with the work of implementing the plans and ways.

There will be only victory and glory in the future of our people who are advancing under the leadership of the glorious WPK.

South Korea

Third Contact on UN With DPRK Set for 9 Nov

SK3010102090 Seoul YONHAP in English 1007 GMT 30 Oct

[Text] Seoul, Oct. 30 (YONHAP)—South and North Korea will resume a working-level contact on Nov. 9 at the Truce Village of Panmunjom to discuss Korea's U.N. membership. Liaison officials of the two sides agreed in a meeting to hold the third round of the contact at the conference room of the Neutral Nations Supervisory Commission at 10 A.M. Nov. 9.

Yim Tong-won, chanceller of the Foreign Ministry's Institute of Foreign Affairs and National Security, will represent the southern side while Choe U-chin, ambassador-at-large at North Korean Foreign Ministry, will lead the northern delegation.

The delegates failed to iron out differences regarding the issue in two rounds of earlier contacts until Oct. 5 as the two sides remained locked into rigid positions. While North Korea has stuck to its proposal for sharing a single seat in the United Nations, South Korea held to a formula of joining the world body with two separate seats.

N-S Economics Analyzed; Exchange Plan Proposed

SK2810170190 Seoul SINDONG-A in Korean Oct 90 pp 164-173

[Article by Han Kwang-su: Economic Cooperation Very Likely Between Seoul and Pyongyang.]

[Text] Expectations of economic cooperation between North and South Korea soared higher than ever in the wake of the North-South prime ministerial talks held in Seoul in September amid the intense interest of the Korean people. South Korea's positive attitude on economic cooperation had been anticipated for some time, and although North Korea made resolving the political and military confrontation between North and South a precondition to economic cooperation, at least Pyongyang did not rule it out, so the door to the possibility of economic cooperation stands ajar.

Seoul and Pyongyang first made their basic positions on economic exchanges clear in the early 1970s. Full-blown consideration of economic exchanges occurred in 1984 during economic talks undertaken by the two sides after North Korea supplied relief to South Korean flood victims. However, it is common knowledge that up until recently no visible progress had been made, and the economic talks were stagnant.

Over the years, each time the issue of economic cooperation has been raised the peoples' hearts have throbbed with excitement for a while before being overcome repeatedly by another round of disappointment. The general estimate is that no significant progress was made even during the first round of prime ministerial talks held in Seoul in September. The significance of the talks, however, lay in two things. First, that the two sides displayed signs of recognizing each others' systems, and that the possibility existed that in future dialogue the two sides could undertake the consideration of political subjects and economic exchanges simultaneously, rather than merely consecutively as had been the case up to that time.

Three Reasons for Accelerating North-South Economic Cooperation

The issue of economic exchanges between North and South Korea has surfaced for 20 years without any sign of progress. What was it, then, that caused high officials from Seoul and Pyongyang to raise the issue smoothly at the September prime ministerial talks, expressing their intent to pursue exchanges?

The foremost and deciding factor for both Seoul and Pyongyang is that each has responded with relative flexibility to changes in the international environment. North Korea's system is relatively more vulnerable than is the system in the South, so Pyongyang's steps have in fact been negative and somewhat sluggish, but North Korea has made prodigious efforts to be sure that it could absorb and digest influence from China's modernization line and the Soviet Union's policy of perestroyka without considerable internal shock.

China promulgated the Joint Industrial Management Law in 1979 and launched a program to attract foreign currency into the country. Pyongyang followed suit, enacting a Joint Management Law in 1984 and getting into the business of attracting foreign firms into joint ventures. Gorbachev vigorously pursued a policy of harmony with the West after he appeared in 1985. On the one hand, North Korea strengthened its economic cooperation with Moscow, establishing a number of joint ventures, while at the same time Pyongyang displayed a hitherto unseen flexibility in its policies toward the United States and Japan.

As is well known, South Korea has strongly pursued its northern policy in recent years, accelerating approaches to China and the Soviet Union, and trying to establish diplomatic relations with the two, while at the same time Pyongyang has shown interest in improving relations with the United States and Japan. North Korea's improved relations with Washington and Tokyo will soon be the subject of intense public interest as Pyongyang pursues its policy to attract capital and technology from the West.

I will now turn to North Korea's cogent internal factors. Changes in international politics have obliged North Korea to face the inevitability of opening if it is to remove itself from international isolation, and we understand that North Korea's economic difficulties will only worsen with time.

Due to a lack of hard currency, North Korea cannot repay several hundred million dollars it owes overseas on loans and for imports. In 1987, 140 creditor banks banded together to notify North Korea that it was in default in regards to both principal and interest on its loans. This killed foreign interest in joint ventures in North Korea, and except for companies associated with Chochongnyon [General Association of Korean Residents in Japan] the number of foreign firms wishing to do so dwindled to a trickle.

To make matters worse for the North, the Soviet Union has decided to put the highest priority on the reform of its own economy, and Moscow is demanding that North Korea put their trade on a currency rather than barter basis and the Soviet Union is now demanding that Pyongyang pay relatively high, free-market prices for Soviet oil rather than the concessionary rates that have prevailed heretofore. This is a most bitter development for Pyongyang, of course, since more than one half of Pyongyang's total trade, by value, had been conducted with the Soviet Union on a barter basis.

As if this kind of external economic problem were not enough, the cravings of the North Korean people for an improved standard of living continue to increase, but the imbalances in the North Korea economic structure introduced by years of overemphasis on heavy industry continues to mean that consumer products are in short supply and of low quality, which causes growing popular dissatisfaction. This situation caused North Korea to take the unprecedented step of creating a three year plan for the fostering of light industry when it amended the Third Seven-Year Economic Plan in 1989. North Korea followed this with the announcement of a "Year of Light Industry" and is concentrating on producing daily necessities, although available information suggests that these programs have not yet had appreciable impact.

Along with its economic difficulties, a number of other important elements influence the North Korean system. Reform in the Soviet Union and the socialist states of Eastern Europe triggered the abandonment of the cold war, an abandonment that now washes like a wave against Pyongyang's doorstep. Meanwhile, Seoul's approaches to China and the Soviet Union have caused a sense of diplomatic isolation in the North, and the problem of Kim Il-song's assumption of political power hovers in the background.

For our part, the establishment of a stable relationship with North Korea would allow us to accommodate our heated domestic desire for democratization and for unification, would allow us to progress another step closer in our approach to the socialist markets in China, the Soviet Union, East Europe, and elsewhere, while at the same time economic cooperation with Pyongyang would establish a foundation of pragmatic trust for unification, not to mention the economic advantages we would reap as our domestic market expanded under a one nation, two-system arrangement.

De Facto Recognition a Precondition for Economic Cooperation

The extent of future progress in economic cooperation between North and South Korea will depend on how the two sides recognize and respond to the three points I have just enunciated, and this progress will appear in many different forms as the North-South dialogue develops. In addition to the crucial points I have outlined, a special precondition to economic cooperation between Seoul and Pyongyang is for each side to be candid with each other and to unequivocally recognize the other's existence.

The representatives of the two sides at September's prime ministerial talks displayed attitudes that differed markedly from those they have shown in the past. They recognized the importance of solving the other's problems, and they took pains to make gestures that suggested they recognized the other's system.

Despite these encouraging signs, however, even as they spoke of coexistence and cooperation for external consumption, elements surfaced everywhere in their keynote speeches and key proposals that caused one to doubt, caused one to believe that their real purpose was to incorporate the other into their own system or to delay unification. If both sides really want to tread a path that leads to peaceful unification through coexistence and cooperation, then rather than working to conceal the vulnerabilities of their systems, they must work boldly to improve and strengthen those vulnerabilities, and neither side must hesitate to help the other strengthen the weaknesses in his system.

We are not perfect. South Korea's phenomenal economic development over the years has raised the standard of living of our people and the size of our economy remarkably when compared to our own past. But our social pathology worsens with time. A terrible rich-poor gap exists at the base of our society, and corruption is endemic and deeply rooted. We have an urgent need to address these weaknesses and to restore morality. North Korea could easily be tempted to consider an offensive strategy as it considers these vulnerabilities.

The situation in North Korea contrasts sharply with our own. They have followed radical socialist ideology for many years, achieving a comparatively fair distribution of wealth, but they have stoutly defended a firmly closed system for many years, and this has generated a great many negative effects, not to mention their economic difficulties. I suggest that rather than exploiting the vulnerabilities in the North Korean system, we will find it more desirable to adopt a posture of helping them improve their system themselves.

Assuming that a transitional period of peaceful coexistence is absolutely requisite to final national unification, then we must recognize each others' systems not just nominally or outwardly and not just to maintain dialogue. The most urgent task is for us to push for practical proposals from the North-South talks.

Arguments For and Against Economic Cooperation Between North and South

Two opposing domestic views have developed in South Korea in regard to this issue and have piqued popular interest. One side argues for economic cooperation with Pyongyang, and the other argues against it. Some are concerned that the lack of unanimity could prove to be a serious stumbling block to rallying public opinion to promote future developments in the North-South dialogue and indeed economic cooperation itself.

We will first review the position of those who favor economic cooperation. People who hold this view believe that we must cooperate as broadly as possible with North Korea. They regard economic exchanges between North and South to be the real foundation for the peaceful unification so ardently desired by all Koreans. They propose that we simply erase from our memory the years of hostile relationship with North Korea, that we consider our own influence and North Korea's situation and push forward to achieve a joint national system.

Those who favor economic cooperation want us to offer our good offices to facilitate Pyongyang's approach to the West and to facilitate North Korea's entry into international economic organs, actions which will allow North Korea to expedite an openness suitable to today's international era and thereby reduce tension on the Korean peninsula and reform the North Korean system into the bargain. People who advocate economic cooperation with Pyongyang believe we must unequivocally expedite economic exchanges with North Korea not for short-term profit but to restore mutual trust and revive a national empathy by exchanging manufactured goods, jointly developing resources, investing in joint ventures, making loans, and pursuing technical cooperation in all fields except sensitive military areas.

Let us turn now to a review of the position of those who oppose economic cooperation. These people want economic exchanges between North and South to be undertaken with prudence, only gradually, and with a continuous eye on changes in the nearby international political situation. Their reluctance stems from an assessment that North Korea holds strongly to its historical strategy of communizing the South. These people believe that an improvement in Pyongyang's economic capabilities would translate into a bolstering of the North Korean military. These people advocate minimal North-South economic exchanges until we can determine North Korea's economic situation, as we respond in accord with the economic needs of our own industries, and while we exercise particular care not to reveal anything in areas associated with the military.

These opposing views reflect the diversity of opinion among the various interest groups in South Korea vis-a-vis the North Korean issue. The divergent views are one reason we have not yet been able to develop a concrete, persuasive vision of unification.

In our present situation, then, more than at any other time in our history the situation urgently demands that we develop a practical, fiercely logical, strongly persuasive northern policy, more especially a North Korean policy, that includes a vision of unification. At the present moment we cannot avoid the task of reconciling these opposing domestic views. That task must not simply be a process of persuasion, of discussion, and of public relations but must involve the basic strengthening of our social structure, or to put it in other terms, the task must be accomplished in conjunction with the execution of strong democratic reforms.

North Korean Foreign Trade Is Expanding

I estimate that North and South Korea have very good conditions for economic cooperation in place at the practical level, speaking strictly in terms of economic structure. The natural resources and industrial structures of North and South are mutually complementary. Both sides will profit from exchanges. But beyond that, each side can realize real profits with no risk of suffering any losses. Both can expect enormous advantages from expanded exchanges with surrounding states like the United States, Japan, China, the Soviet Union, and the Southeast Asian countries. Moreover, economic cooperation will cause both sides to forge a mutual trust which can act as a practical foundation for building political and economic union. The problem, then, is not the future advantages to each side but how to overcome the differing approaches to economic cooperation currently espoused by North and South.

In this regard, I would like to set aside for the moment any linkage with this issue and the political and military issues, a linkage espoused by the North. I would like to restrict the issue solely to that of economic cooperation and to table a recommendation for a desirable direction for the development of North-South economic cooperation.

To open the discussion let us first turn to an analysis of the realities of the North Korean economy. Firstly, North Korea has relied on China and the Soviet Union for overseas economic cooperation, importing capital and technology from them in the 1950s and 1960s. With the worsening of the dispute between China and the Soviet Union in the mid-1960s and with the emergence of China's Cultural Revolution in 1966, North Korea was disappointed in its expectations for economic assistance. In what amounted to a stunning turn in direction, starting in about 1970 Pyongyang began to rely on a policy of inducing loans from the West. By the late 1970s, however, North Korea had defaulted on many of these loans, and Pyongyang's overseas credit rating sank to abysmal levels. In 1984, Pyongyang changed course again, actively seeking to accumulate foreign currency by attracting foreign capital to participate in joint-venture companies. In other words, Pyongyang's attempts in the 1970s to borrow capital lead to debt-repayment problems, so in the 1980s the North Koreans chose to attract joint venture industries, an approach which has no associated problems with debt and debt-repayments and which allows both capital and technology to flow into the country simultaneously.

North Korea appears to be in the midst of yet another change of course. The maelstrom stirred up by the international abandonment of the cold war and the system reforms underway in the socialist camp have pushed North Korea into trying to attract capital and technology from the West, starting with Japan and the United States, an approach which promises better results than do present policies. I perceive that North Korea has recognized that as a minimum it must move to suppress antagonism towards South Korea.

Second, a review of North Korea's foreign trade quickly shows that it is very small when compared to the overall economy. In 1987, for example, Pyongyang's gross national product was 19.4 billion dollars, while the value of trade was about 4.07 billion dollars, so that its trade reliance ratio was only about 21 percent. In the same year, South Korea's trade reliance ratio was 74.5 percent. North Korean trade has been in the red perennially, but Pyongyang's problems with foreign debt were caused by a sudden increase of red ink in its yearly trade deficit from about the 100 million-dollar mark in the 1960s to a 200 or 300 million-dollar annual level in the 1970s. The trade deficit grew to 600 to 700 million dollars red per year by the late 1980s. (See Chart 1.)

Viewing North Korea's trade by world region, we find that trade with the Soviet Union in 1987 amounted to 55 percent of the total; with China, 15 percent; and with Japan, 13 percent. Thus, North Korea's trade with the three large states—the Soviet Union, China, and Japan—amounted to some 80 percent of the overall total. In South Korea's case, 55 percent of our trade is with the United States and Japan. North Korea's trade deficit originates mostly from her trade with China and the Soviet Union. In fact the North enjoys a small trade surplus with Japan. (See Chart 2.) Meanwhile, Pyongyang's Third Seven-Year Economic Plan, which runs from 1987 to 1993, contains a goal to increase overseas trade volume during the seven-year period by 320 percent. If the North achieves this objective, estimates are that North Korea's foreign trade in 1993 will exceed the 10 billion-dollar mark.

Chart 1: General View of Overseas Trade by North and South Korea -

	Units: 100 million dollars and percent -							
	1960	**1965**	**1970**	**1975**	**1980**	**1985**	**1986**	**1987**
South Korea								
A. Exports	0.3	1.8	8.4	50.8	175	302.8	347.1	472.8
B. Imports	3.4	4.6	19.8	72.7	222.9	311.4	315.8	412
C. Trade (A+B)	3.7	6.4	28.2	123.5	397.9	614.2	662.9	883

D. Trade balance(A-B)	-3.1	-2.8	-11.4	-21.9	-47.9	-8.6	31.3	60.8
E. GNP	20	30	80	209	603	837	951	1186
F. Reliance on trade (C/E)	18.5	21.3	35.3	59.1	66	73.4	69.7	74.5
North Korea								
A. Exports	1.5	2.1	3.7	8.1	14.4	13.5	14.9	16.7
B. Imports	1.7	2.3	4.4	10.9	17.4	17.2	21.1	24.0
C. Trade (A+B)	3.2	4.4	8.1	19	31.8	30.7	36	40.7
D. Trade balance (A-B)	-0.1	-0.2	-0.7	-2.8	-3.0	-3.7	-6.2	-7.3
E. GNP	15	23	40	94	135	151	174	194
F. Reliance on trade (C/E)	21.3	19.1	20.3	20.2	23.6	20.3	20.7	21.0

Chart compiled from data from the Office of National Tax Administration, the Bank of Korea, and the National Unification Board.

Chart 2: North Korean Trade by Region (1987)

	Units: 100 million dollars and percent -				
		Exports	Imports	Total Trade	Trade Balance
Asia		330.83(22.6)	393.05(18.9)	723.87(20.4)	-62.22
Japan		229.66(15.7)	224.43(10.8)	454.08(12.8)	5.23
Hong Kong		30.17(2.1)	111.83(5.4)	142.00(4.0)	-81.66
Singapore		13.13(0.9)	30.47(1.5)	43.60(1.2)	-17.34
Subtotal		272.96(18.6)	366.73(17.7)	639.68(18.1)	-93.77-
Europe		195.01(10.6)	88.30(4.3)	243.31(6.9)	66.71
Socialist:		954.01(65.1)	1566.17(75.4)	2520.18(71.2)	-621.16
	U.S.S.R.	682.70(46.6)	1264.90(60.9)	1947.70(55.0)	-582.20
	China	233.92(16.0)	280.87(13.5)	520.79(14.7)	-40.95
	Subtotal	916.62(62.6)	1545.77(74.5)	2468.49(69.7)	-623.15-
Other regions		24.54(1.7)	28.37(1.4)	52.91(1.5)	-3.83
TOTAL		1464.39(100)	2075.89(100)	3540.28(100)	-611.50

Data from "Outlook for Choson's Economy and Trade," by the Japanese Council for Trade Promotion, June, 1988.

Third, a review of North Korea's very recent tendencies in regard to openness and reform reveals that limited, gradual change is taking place. About 100 joint venture enterprises have been set up in the North since Pyongyang enacted a joint venture law in 1984, most of them with Japanese Chochongnyon firms; in 1986, Pyongyang began overseas joint ventures in the banking arena, starting with the Paradise Financial Company (Nagwon Kumyung Hwesa); and in a move designed to help attract foreign firms North Korea undertook infrastructure expansion, building roads and harbor facilities like the West Sea Barrage (Sohae Kapmun). To help acquire foreign currency Pyongyang built enormous foreign tourism projects in the Diamond Mountains, Kaesong, Wonsan, and Hyesan.

Tongues were set to wagging on the issue of system reform when market principles were introduced in 1984, albeit only partially, with the establishment of the "3 August Movement." Under this rubric North Korea set out to expand production of daily necessities, establishing "work teams" and "sideline work teams" at the various administrative levels of government. The teams were granted autonomy to produce and sell their own goods. In 1987, the North established permanent free farmers' markets and allowed the free sale in these markets of those goods that are produced in excess of national production targets. They have also established permanent markets in large cities, introduced a wage system based on ability in the consumer goods production sector, and began introduced a system of material incentives in some parts of the economy.

A Three-Stage Program To Make Economic Exchanges Possible

We will briefly review the basic positions of the North and South on economic exchanges by examining proposals tabled by Seoul and Pyongyang during the five rounds of North-South Economic Talks held from November 1984 to November 1985. Each side showed a basically positive attitude toward economic exchanges, but the methods the two sides proposed for such exchanges differed fundamentally.

North Korea advocated exchanges which align ideologically with its Three Great Principles—autonomy, peaceful unification, and the grand solidarity of the nation—while emphasizing that joint ventures and barter exchanges must occur simultaneously with the economic exchanges. Operating solely from an economic orientation, meanwhile, the South Korean side adopted the position that exchanges must come first and be followed by joint ventures. North Korea proposed a package of all-embracing exchanges, while the South proposed a gradual, step-by-step approach keyed to capability. The North advocated exchanges of raw materials for raw materials, finished goods for finished goods, and agricultural products for agricultural products, refusing to consider the vertical exchange of commodities. The two sides differed even on the matter of methods for conducting the transactions, with Seoul proposing an objective international exchange while Pyongyang countered with a proposal for autonomous transactions.

The following proposal for finding methods to approach North-South economic exchanges is based upon careful consideration of the survey of the North Korean economy and of the basic positions of North and South on exchanges as enunciated in the economic talks, as I have outlined them above.

Step One: A stage of building mutual trust through the expansion of direct and indirect exchanges.

In this stage, trade that now occurs indirectly through third countries would be transformed gradually into direct exchanges. In this stage the two sides would concentrate over the mid-term on building a base of cooperation between industries rather than fixing on short-term interests. In this stage also, the two sides would execute a trade agreement and gradually expand the scope of articles being exchanged.

Step Two: A stage of providing mutual economic conveniences and joint resource development.

In this stage the two sides would expedite joint roadway, railroad, and sea lane use. South Korea would encourage Pyongyang to join all the international economic organizations as a way to aid in opening the North Korean economy. The two sides would make plans for the joint development of mineral, fishery, and tourism resources. Upwards of 300 different mineral resources exist in North Korea, and iron ore, gold, silver, copper, and zinc exist in especially large quantities.

Step Three: A stage of cooperation in technology and capital and of cooperation in overseas economic efforts.

In this stage South Korea will provide virtually all of the capital and technology, mostly through joint investments. All legal safeguards, including an investment protection law, must be executed to protect joint investments, but if this cannot be accomplished in the early phases of capital cooperation, then a system of investment insurance must be implemented to protect companies advancing into the North. The possibility is high that North Korea will seek direct infusion of investment into key industries and crucial sectors like automation, machinery, transportation equipment, and daily necessities. Our side will likely focus its interest on joint investments in sectors where South Korea is already a strong international competitor, such as general electric and electronic equipment, automobiles, and shipbuilding. We will also emphasize those sectors where we are now moving plants overseas, such as footwear and textiles.

Of course, this stage-by-stage approach is for analytic convenience only. In reality our economic cooperation will be shaped by the progress of the North-South talks and by changes in local conditions and will be characterized by a great deal of flexibility.

We have been informed that at September's prime ministerial talks, all that was accomplished was that each side verified the need for economic cooperation with the other. The positions of the two sides differed from each other to the extent that neither was able to table an agenda item on economic cooperation. However, the South Korean side regards economic cooperation as absolutely necessary, while the North Korean side implicitly recognizes its need. This fact appeared in Prime Minister Yon Hyong-muk's statements during his presidential interview at Chongwadae and also in his keynote speech, when he said, "We must anticipate issues like the realization of economic joint ventures and mutual exchanges, linking our transportation and communications nets, and devising means of cooperating on overseas economic relations."

In South Korea's keynote speech we enunciated six points for economic cooperation which included virtually all the proposals the North Koreans have proposed, to wit: exchange of commodities, joint resource development and joint advancement overseas, joint development of tourism resources and joint expediting of the tourist industry, restoration of roads and railroads and the development of sea lanes and air routes, opening of mail, telegraph, and telephone services and the conclusion of an agreement on these three means of communication, and the establishment of a joint economic cooperation organization.

In regard to the exchange of commodities, exchanges between North and South should be regarded as intranational exchanges, both sides should open the trade door, today's indirect trade should be changed to direct trade, and both governments should use the good offices of involved trade officials and industries to accomplish these ends.

In regard to resource development, South Korea should focus its efforts on importing North Korea's major export products, anthracite coal, iron ore, zinc ore, feldspar, and magnecite. These minerals alone are said to comprise 70 percent of the minerals that we import. Apart from minerals, the possibility of joint ventures in manufacturing and service industries is under review, and we are preparing concrete proposals for joint advance into overseas areas. For example, in the event that South Korean companies advance into Siberia, they can utilize North Korean labor; trading companies and maritime transport companies can be jointly established; we can jointly develop transportation routes into the Asian Continent; and we can jointly construct plants to manufacture daily necessities in regions where North Korea borders on China or the Soviet Union.

In regard to the tourism sector, we anticipate proposing the development of a scenic tourist route through the combined Diamond Mountain-Sorak Mountain area and between Seoul and Pyongyang; establishment of joint tourism companies; and construction of joint hotels. In the transportation sector we put top priority on restoring road, railroad, and sea lanes of communication between North and South.

Seoul sees the opening of communications via mail, telegraph, and telephone service as the most crucial item of all, and technically this is the easiest of all the possible projects, requiring only agreement from each side. As I said above, the problem is not with the content or methods of economic cooperation itself but with the many associated conditions that must be satisfied to make it possible.

Trade Will Equal About 100 Million Dollars at First

In 1988, our government announced the "7 July statement," in which we put forward a policy that: "Trade with North Korea will be regarded as internal trade and will not be subject to customs duties." Since our announcement, the reality is that our overall trade with North Korea has amounted to a mere 104 transactions totalling 32 million dollars. Of the 104 transactions, in fact, only three were exports; we did the importing in the other 101 cases, suggesting a very unbalanced trade structure. Trade transactions generally were handled in Hong Kong. As indirect trade, the transactions were conducted through an intermediary. Our government's view and that of the involved trading firms is that we must quickly put all this indirect trade on a direct basis, eschewing the present third-party routing. However, in view of the characteristics of the systems in North and South, for the time being we should simultaneously continue indirect trade at a reduced level. This approach also is desirable because of its natural logic and because to display a measure of concern by protecting the trade items and the trading firms.

When North-South trade is realized, its scale will be determined by the will of the two sides as expressed in their trade policies. Examining potential trade strictly from an economic standpoint, the fact is that North Korea's external trade today amounts to only 50 to 60 million dollars. With that in mind, even if we assume that North-South trade were to begin immediately, trade would probably not exceed 100 million dollars per year in the initial stages, even under best-case assumptions.

In North-South trade, the South's promising export items include machinery, transportation equipment, synthetic textiles, synthetic fiber fishing nets, steel alloy sheets, steel cables, stainless steel, batteries, and tools. North Korea's promising items for export to us include furs, steel, steel slab, steel scrap, molybdenum, columbium, titanium, lead scrap, magnesite, steel coil for use in rolled steel, and thick steel plate.

Economic cooperation between North and South Korea will have a profound impact internally and externally. Within, it will form the foundation for unification and provide an opportunity for a new economic leap forward for the nation. Without, it will act as a catalyst in restructuring the international order in East Asia.

However, if that economic cooperation fails to engender genuine trust among those involved on both sides, if the concerned officials of each side end up with negative attitudes and fail to rise to the ardent expectations of the Korean people and to conquer whatever associated problems emerge, if that is all we get from economic cooperation, then the concern is that for the time being North Korea will rely on Japan and the United States, and South Korea will proceed with its approaches to China and the Soviet Union, the two sides will maintain a relationship of unfriendly economic competition, and a divided Korean Peninsula will become even more a violent arena for the clash of interests of the four great powers, and thus unification, the Korean people's earnest desire, will be delayed.

Luckily, the international current has recently been flowing in a direction that can bring an end to the division of the Korean peninsula. What we need now is a domestic ground swell infused with a genuine will to achieve unification. We can generate the capacity for unification only when we boldly execute reform in the systems of both North Korea and South Korea, mutually aiding the other where his system has weaknesses and working on strengthening the vulnerabilities of our own system at the same time.

Although economic cooperation is a very desirable thing, ultimately it cannot by itself guarantee unification. At this moment, however, its role as a practical recipe for mutual trust and harmony is crucially important.

Whether economic cooperation between North and South will turn out to be the cornerstone of national unification or whether it will merely provide an excuse to delay unification depends on whether we manifest a genuine capacity for unification that includes reform of both our systems.

USSR Ties Indicate New Northeast Asia Order

SK2810030190 Seoul THE KOREA TIMES (Supplement) in English 28 Oct 90 p 1

[By staff reporter Kim Chang-yong]

[Text] Diplomatic relations between South Korea and the Soviet Union in themselves reflect the great change in both countries' respective foreign policies and will serve as the prelude to a further reshaping of order on the Korean peninsula and Northeast Asia at large.

The accord establishing formal ties, signed in New York on Sept. 30, capped the No Tae-u administration's two and half years of aggressive rapprochement with North Korea's allies, aimed at having them use their influence on Pyongyang to open the isolated regime and bring about reforms for stability and peace on the peninsula.

The normalization of ties was an adroit, timely marriage of Seoul's diplomatic offensives designed to match Korea's political interests, both domestic and international with Moscow's economic requirements and pragmatic foreign policy, analysts say.

Seoul has informally committed $2.3 billion in economic aid and investment in return for the Soviet Union's recognition of South Korea following the same formula it used in sealing full relations with Hungary and Poland, according to informed government sources.

The package will be signed early next month when a high-powered Soviet economic mission visits Seoul.

It will come on the heels of an accord reached late last month between the ruling parties of North Korea and Japan to begin government-level negotiations next month on the normalization of ties, which stole the thunder from the accomplishments of the No Tae-u administration's northern policy.

The Pyongyang-Tokyo rapport, apparently prompted by Seoul-Moscow ties, of which Pyongyang was formally informed by Soviet Foreign Minister Eduard Shevardnadze in early September, will develop into diplomatic relations in the long run. However the South is displeased with some aspects of the negotiations.

It is hoped this will then lead to a cross-recognition of the South and the North by the four big powers—recognition of Seoul by Moscow and Beijing and that of Pyongyang by Washington and Tokyo, a Seoul-proposed formula which the North has vehemently opposed.

Pyongyang will keep using its Japan and U.S. cards to counter Seoul's relations with the Soviet Union and China and appease emerging complaints among its people of the country's closed-door policy, the analysts said.

The other reason for its appeasement with Japan is the power of the yen.

North Koreans were surprised by Shevardnadze's notification of Soviet plans to stop military supplies and economic aid and the demand for hard-currency payment of its oil at market prices, instead of the cheaper friendship prices, measures which would plunge the North's sagging economy into further decline.

Armed with a strikingly robust economy, South Korea's kept on knocking at the Soviet Union's door. But the signing of ties does not directly mean that the communist superpower will instantly side with the capitalist South instead of its longtime ally in the North.

Shevardnadze's attitude was one of caution at the signing ceremony.

He tried to get a two-month moratorium on the setup of diplomatic relations though he informed Pyongyang of the establishment of formal ties earlier.

He reiterated his hope for uninterrupted development of the long friendly relation of "alliance, amity and good neighborhood" with North Korea in a press conference after the signing of a joint communique, making it clear in the document that Seoul-Moscow relations would not get in the way of the Soviet's friendship with Pyongyang.

Shevardnadze was noncommittal on the issue of a UN seat for Seoul when his counterpart Choe Ho-chung asked for his cooperation.

The UN issue is very crucial one between the two parts of the peninsula. South Koreans think it is a most attractive lure for having the North come to the negotiation table.

If the South entered the world body, the North would have to follow in order not to remain isolated and this would lead to recognition of both Seoul and Pyongyang.

Though Seoul is the only legitimate government recognized by the United Nations, Pyongyang has refused to recognize South Korea as a political entity and views it as a target of "liberation," through united-front strategy in accordance with its long-held "one-Choson (Korea) policy."

Yim Tong-won, spokesman for the South Korea delegation to the inter-Korean prime ministers' talks, said, "We have to play a due role and assume responsibility at the United Nations, commensurate with our ranking of 10th in world trade and 13th in terms of GNP.

"If and when we get a U.N. seat, the North would be forced to follow suit. Then Pyongyang would have to give up its strategy of communizing the South by revolutionary force," he said.

The normalization of ties between Seoul and Moscow has frozen the hitherto amicable relations between Pyongyang and Moscow for the time being. The North accused the Soviets of "betraying friendship for money" through its propaganda media.

Pyongyang, Tokyo Disagree on Timetable for Ties

SK3010020990 Seoul YONHAP in English 0154 GMT 30 Oct 90

[Text] Seoul, Oct. 30 (YONHAP)—North Korea and Japan disagree on setting a timetable for talks on normalization of relations, with Pyongyang pushing to conclude the talks this year while Tokyo wants to start them late in January, a South Korean Government source said Tuesday. The source said Japanese Foreign Minister Taro Nakayama and Ambassador to Korea Kenichi Yanagi recently notified the Seoul government of the North Korean proposal to conclude talks on the normalization of Tokyo-Pyongyang ties this year. North Korea and Japan are to hold a preliminary meeting on diplomatic relations in Beijing on Nov. 4.

"The Japanese Government, citing domestic reasons, proposed that substantial talks be launched at the end of next January," the source said. He said the Beijing preliminary talks would be attended by Chon Yong-pok, deputy director-general for Asian affairs in North Korea's Foreign Ministry, and his Japanese counterpart, Yutaka Kawashima.

"The (South Korean) Government has told Japan repeatedly that improvement of ties with North Korea should be promoted in a way conducive to opening and change in the North, progress in inter-Korean dialogue and the North's signing of the nuclear safeguards agreement of the International Atomic Energy Agency," the source said. "The Japanese Government has promised to fully consider the South Korean position and closely consult Seoul and Washington in the course of improving its relations with North Korea."

North Korea and Japan have been approaching each other since late September, when North Korean leader Kim Il-song aired his hope to normalize relations in a meeting with former Japanese Deputy Prime Minister Shin Kanemaru. Kanemaru visited North Korea leading an 89-member delegation, including 13 lawmakers of the ruling Liberal Democratic Party (LDP) and two Foreign Ministry officials.

It was the first time government officials and members of the long-ruling LDP had visited the communist half of the Korean peninsula since the nation's division in 1945. Japan has diplomatic relations with the capitalist South but not with the North.

North Invited to Table Tennis Tourney

SK2710064690 Seoul YONHAP in English 0620 GMT 27 Oct 90

[Text] Seoul, Oct. 27 (YONHAP)—North Korea has not answered an invitation to compete in the first international doubles table tennis championships in Seoul Nov. 1-4, making it unlikely there will be a single Korean participation for the first time in an international sports event.

Yi Chong-ho, head of the North Korean Table Tennis Association, told his South Korean counterpart, Choe Won-suk, during the Beijing Asian Games that he would send players to the doubles championships to field a single Korean team, but had not delivered. North Korean Sports Minister Kim Yu-sun, who recently visited Seoul with the North Korean soccer team, had said it would be impossible for North Korea to compete in the tournament because of insufficient time to prepare.

South Korean table tennis officials were hoping for a combination of world-class South and North Korean players in the tournament amid the rising reconciliatory mood between the two halves of Korea in sports since the Asian Games.

For the first time in 45 years, a South Korean team entered North Korea for a soccer match just after the Beijing Asiad. The prime ministers meetings in Seoul and Pyongyang boosted the reconciliatory mood. South Korean officials say they doubt whether North Korea ever intended to participate in the Seoul tournament.

Japanese Searching for Shipwrecked North Koreans

SK3010003090 Seoul Domestic Service in Korean 2300 GMT 29 Oct 90

[Text] The Japanese public security authorities revealed that the North Korean agents' boat which was discovered on the Fukui coast in Japan on 28 October shows that North Korea is continuing espionage activities against Japan. They are continuing to search for the agents.

Correspondent Yi Chun-pal reports from Tokyo.

[Begin Yi recording] The Japanese public security authorities assume that the North Korean agents' boat, which was recently discovered, is a high-speed, one or two-seater boat, and that it attempted to approach land after being lowered from a mother ship with a special operations mission. Thus, the security authorities are pursuing the disappeared agents throughout Kyoto and Ishikawa, nearby coastal cities.

The public security authorities also think that since a fierce wind—with a maximum velocity of 22.6 meters per hour—was observed along that coast on the night before the discovery of the wrecked boat, there is a great possibility that the agents infiltrated onto the land after abandoning the boat empty-handed.

In particular, the public security authorities attach great importance to the fact that, although North Korean agents' boats have been found along the Fukui coast many times in the past, this is the first time they have discovered a table of random numbers and the decoding table for the Korean alphabet. Thus, they are directing all their attention to decoding the table of random numbers.

The public security authorities believe that they will be able to obtain information about the North Korean agents' operational activities by decoding the table of random numbers. However, they pay the greatest attention to why North Korea attempted to infiltrate the agents' boat just when it is accelerating the establishment of diplomatic relations with Japan and it released the crewmen of the No. 18 Fujisan after 7 years.

Given the fact that there was still plenty of fuel on board, and the table of random numbers was still in the wrecked agents' boat, the public security authorities presume that the agents attempted to infiltrate into the Japanese mainland instead of escaping from it. Thus, the security authorities are expanding their investigation of the missing agents. [end recording]

Japan Asked To Facilitate DPRK Nuclear Checks

SK2710021390 Seoul YONHAP in English 0201 GMT 27 Oct 90

[Text] Tokyo, Oct. 27 (YONHAP)—Hans Blix, director general of the International Atomic Energy Agency (IAEA), has asked Japan to help get North Korea to allow IAEA nuclear inspections, Japanese Science and Technology Minister Tomoji Oshima said Friday.

Oshima told a news conference that Blix, now visiting Japan, made the request over dinner Thursday evening. "We will positively cope with the measure in order not to isolate North Korea," Oshima said.

Blix made the request because it is one of the crucial issues to be dealt with in North Korea-Japan preliminary talks for the normalization of ties in early November, observers said.

Japan Socialist Party To Send Group to Seoul

SK2710020390 Seoul YONHAP in English 0153 GMT 27 Oct 90

[Text] Tokyo, Oct. 27 (YONHAP)—The Japan Socialist Party (JSP) said Friday it will send a delegation to South Korea as soon as possible to explain its position on normalization of diplomatic relations between Japan and North Korea. Wataru Kubo, the chairman of the JSP Contermeasure Committee for the Korean matter, told a committee caucus the JSP would send a delegation to Seoul to explain its position on diplomatic normalization and would send a delegation to Pyongyang Nov. 13-20.

The decision of Japan's largest opposition party to send a delegation to Seoul is a sign of change in its two-Korea policy, political analysts said. The JSP, which has been considered pro-Pyongyang, has so far limited contact with South Korea to opposition forces.

Last December, JSP Secretary General Tsuruo Yamaguchi visited Seoul as the guest of then-opposition leader Kim Yong-sam, who is now executive chairman of the ruling Democratic Liberal Party.

A visit to Seoul by party leader Takako Doi will follow the delegation's trip, a JSP source said

Japanese 'Buying Mission' Signs No Contracts

SK2910014190 Seoul YONHAP in English 0120 GMT 29 Oct 90

[Text] Seoul, Oct. 29 (OANA-YONHAP)—A Japanese buying mission left South Korea over the weekend with a list of more than 800 items they are interested in, but businessmen say it is too soon to tell whether the visit will produce the desired result. The 167-member delegation of private businessmen, whose trip was promised to President No Tae-u (during his visit to Japan in May) as part of Japan's efforts to correct the chronic trade imbalance, visited 90[illegible] companies to discuss 1,009 products during their six-day stay, the Korea-Japan Economic Association said Monday.

In a report issued Saturday afternoon, the Japanese mission said 803 items from 738 companies were most likely to be the subject of contracts.

They include agricultural and machinery products and apparel, ranging from laver, clam, silk blouses and down jackets to computer printers, control panels and household electronic appliances. The list also named consumer products, such as polyethylene film and construction materials, the Association said.

Observers warned against getting hopes up too high, noting that despite the report the Japanese left without signing a single deal. They came and left without ever revealing how much they had to spend and their negotiations lacked details. The visit was probably politically motivated, as a follow-up to No's trip to Japan, they said.

Korea's exports to Japan as of the first nine months of this year reached 8.92 billion U.S. dollars, off 9.4 percent from the same period of last year, while its imports were 13.2 billion dollars, up 4.22 percent, incurring a 4.32 billion dollar trade deficit, according to the Customs Administration. The trade deficit is 51.1 percent up over the corresponding period of last year.

Seoul 'Concerned' By Japanese Gulf Deployment

SK2710052490 Seoul YONHAP in English 0432 GMT 27 Oct 90

[Text] Tokyo, Oct. 27 (YONHAP)—The South Korean Government Friday officially told Japan that it is concerned about a move to send Japanese troops to the Gulf.

Kim Chong-ki, the Foreign Ministry's director general for Asian affairs, told his Japanese counterpart, Sakutaro Danino, that Korea's bitter experience with Japan in the past made it particularly concerned that the dispatch of Self Defense Force troops might lead to a revival of Japan as a military power.

Korea was a colony of Japan in 1910-1945.

The position was stated in a meeting to discuss the legal status of third-generation Korean residents in Japan.

Kim also reminded Danino of Foreign Minister Choe Ho-chung's expression of concern at a press conference on Oct. 19.

Minister Choe Conveys Message

SK3010011290 Seoul YONHAP in English 0052 GMT 30 Oct 90

[Text] Seoul, Oct. 30 (YONHAP)—Foreign Minister Choe Ho-chung reiterated South Korea's deep concern Monday over a move by Japan to send Self Defense Forces (SDF) personnel to the Middle East, when he met with Japanese Ambassador to Korea Kenichi Yanagi. Choe told Yanagi: "Having suffered gravely from Japanese military imperialism in the past, we are deeply concerned about the possibility that the overseas dispatch of Japanese Self Defense forces will, linked with the growth of military forces, lead to building Japan into a military power." "We hope Japan will carry out its responsibility in the international community through the expansion of economic contributions and other means that will not incur worries on the part of neighboring countries."

Noting that Korea is considering only civilian support for the multinational forces in the Gulf such as transportation, instead of military aid, Choe said there was no need for Japan to send troops to help settle the Middle East crisis.

Yanagi said his government was promoting the dispatch of the Self Defense Forces in the belief that Japan should provide not only financial and material aid but also personnel support for the U.N. Peace Cooperation Bill, which is aimed at settling the Gulf crisis. He said his government was weighing dispatch of the Self Defense Forces as they were experienced in such non-military fields as transportation, medical service, armistice supervision and election management, adding their deployment would not result in a revival of Japan's military power.

Choe told Yanagi an improvement in relations between Japan and North Korea should not be sought in a way that gives the North time to communize the southern half of the Korean peninsula.

Japan should take precautions so that the North will open up and change, give up its policy to unify Korea under communism, sign the nuclear safeguards agreement of the International Atomic Energy Agency, and seek progress in inter-Korean relations, Choe said. He said Japan should not compensate North Korea for post-World War II suffering nor promote economic cooperation in a way that contributes to the North's military power.

The Japanese envoy, who paid a call on the foreign minister to explain his government's position on plans to send its forces abroad, said he would convey Choe's view to his government.

Japanese Envoy Responds

OW2910085790 Tokyo KYODO in English 0656 GMT 29 Oct 90

[Text] Seoul, Oct 29 (KYODO)—Japanese Ambassador to South Korea Kenichi Yanagi called on Foreign Minister Choe Ho-chung Monday in an effort to alleviate South Korean anxieties over a Japanese Government plan to send Self-Defense Forces (SDF) personnel overseas to take part in international peacekeeping efforts.

In response to Yanagi's request for understanding, Choe expressed Seoul's concern over the controversial United Nations Peace Cooperation Bill and urged a cautious stance by Tokyo. "Within Korea, there is a worry that dispatching the Self-Defense Forces overseas may be the starting point of the remilitarization of Japan in the future," Choe told Yanagi in their 30-minute meeting. The minister called for prudent consideration of the matter by the Japanese Government.

Choe further observed that concern over the proposed law is not limited to South Korea alone, saying, "concern has been expressed even in Japan."

Explaining Tokyo's position, Yanagi said the purpose of the bill is not to dispatch SDF forces overseas as such but to make a manpower contribution to international society. Yanagi added that while SDF personnel would be used in the corps, civilians would also be included.

South Koreans have bitter memories of Japan's 1910-1945 colonial rule over the Korean peninsula.

Last Friday, Kim Chung-yi, director general of South Korean Foreign Ministry's Asian Affairs Bureau, told his Japanese counterpart Sakutaro Tanino of South Korea's worries about the proposed law. Kim was in Tokyo to urge Japanese prudence in warming relations with North Korea.

Delegation Leaves for Talks on Mideast Support

SK2710023690 Seoul YONHAP in English 0209 GMT 27 Oct 90

[Text] Seoul, Oct. 27 (YONHAP)—A 9-member South Korean Government delegation leaves for the Middle East Saturday afternoon to discuss support for the multinational forces and frontline countries with governments in the region until Nov. 4.

The delegation, headed by Vice Foreign Minister Yu Chong-ha, will discuss with high-ranking officials details of Korean economic support, a Foreign Ministry official said.

The other officials are from the Economic Planning Board, and the Finance, Foreign, and Trade and Industry Ministries.

On Nov. 5, they will attend a meeting in Rome of the international committee coordinating financial support for the crisis-stricken countries.

The committee, co-chaired by U.S. Undersecretary of Treasury David Mulford and U.S. Undersecretary of State for Political Affairs Robert Kimmittee, will hear reports on the financial losses incurred by the frontline countries and will coordinate country-by-country support for them before deliberating next year's financial support, the official said.

The meeting will be attended by vice foreign or finance ministers from Korea, the United States, Japan, Britain, Germany, Italy, Canada, Saudi Arabia, Kuwait, the United Arab Emirates, Qatar and Representatives from the European Community and Gulf Cooperation Council.

The first meeting of the committee was Sept. 16 and the second Oct. 12, both in Washington, D.C.

The Korean delegation will return home on Nov. 8.

The Korean Government announced Sept. 24 it would donate 50 million U.S. dollars in cash and 70 million dollars in material support to the multinational forces in the Gulf in response to U.N. Security Council resolutions to keep peace in the region.

Korea also said it would send 10 million dollars worth of rice and 100 million dollars in aid to Egypt, Jordan and Turkey.

Seoul Names Kong Ambassador to Soviet Union

SK3010031790 Seoul YONHAP in English 0259 GMT 30 Oct 90

[Text] Seoul, Oct. 30 (YONHAP)—Kong No-myung, head of the Consular Department in Moscow, has been named South Korea's first ambassador to the Soviet Union and the department upgraded to an embassy, the Foreign Ministry said Tuesday. Seoul and Moscow established diplomatic relations Sept. 30.

"The government appointed Kong Tuesday to direct the first Korean Embassy in Moscow as the Soviet Government has recently accepted our request for an agreement for Kong," the Ministry said. The embassy will be housed in the department's office in a hotel on Lenin Street until it is moved to a building in downtown Moscow in early November, it said. The department, opened in February as the first official government representation in the socialist nation, will be closed.

Kong, 58, a career diplomat, was consul general in New York before being named to head the Consular Department in Moscow. His previous major positions also include director general of the Ministry's Asian Affairs Bureau, consul general in Cairo, assistant foreign minister for political affairs and ambassador to Brazil.

The Soviet Union has reportedly designated Ambassador to the Philippines Oleg Sokolov as its first envoy to South Korea.

Seoul To Investigate Suspected Foreign Dumping

SK3010055090 Seoul YONHAP in English 0528 GMT 30 Oct 90

[Text] Seoul, Oct. 30 (OANA-YONHAP)—The South Korean Government is to investigate suspected dumping by foreign companies in order to protect the investments of Korean manufacturers, the Trade and Industry Ministry said Tuesday.

Since there are many reports of foreign suppliers dumping items as soon as Korean firms complete development of competitive goods, the Ministry will take strong countermeasures, a Ministry official said. When foreign businesses begin dumping, it benefits consumers but bankrupts the local suppliers. Prices soar, however, once the competition has been eliminated, the official said.

During the investigation, the Ministry will examine every stage of the localization process from the initial trouble following development to quality control, international competitiveness, venture capital and international quality approval, he said. Japanese producers are traditionally said to be the worst offenders, but American and European suppliers recently began dumping as well, industrial sources said.

General Electric of the United States reduced the price of a lead assembly, a component in cathode ray tubes, from 9.40 U.S. dollars to 5.20 dollars when Jumbo Enterprise Co., a local maker, tried to put its product on the market early this year after three years' development. Rotork of the United Kingdom cut the price of its valve actuators from 3.47 million won (4,853 dollars) to 1.47 million won (2,055 dollars) when Morgan Korea brought out an actuator in a technical tie with Morgan of the United States early last year.

"Not only Rotork, but also Auma of West Germany and Bernard of France put their products on the local market at around one-third of cost price, dealing a severe blow to our firm," said Kim Sok-ki, a sales director for Morgan.

As of the end of 1989, the Ministry had localized 1,379 items of the 3,566 listed for localization since 1986, reducing the dependence of Korean manufacturers on foreign components and parts.

Uruguay Round Delegation Head on Concessions

SK2810041390 Seoul THE KOREA TIMES in English 28 Oct 90 p 2

[Interview with Representative Han Sung-su by staff reporter Sin Hak-im on 27 October; place not given]

[Text] Rep. Han Sung-su, a former trade-industry minister, carefully suggested that the South Korean government might have to make concessions in other sectors of the on-going Uruguay Round [UR] negotiations in order to protect rice and 14 other farm products from market liberalization. The other agricultural products to be presented by the government in an offer list of non-trade concerns (NTC) include barley, beef, milk products and pork.

"Now is the time for the government to prepare a trade-off strategy to realize its foremost goal as the global trade negotiations enter their final stage," Rep. Han said in an interview with THE KOREA TIMES yesterday. Rep. Han returned Thursday from a two-week fact-finding mission to Washington, Geneva and Brussels, heading a parliamentary delegation on the global trade negotiations.

The professor-turned Assemblyman said that the parliamentary delegation focused their activities on having the senior officials of the United States and the EC understand the situation facing Korean farming households which till a poor 1.2 hectares of land on average. "We emphasized to the officials we met that more grace and transition periods are needed for the underdeveloped Korean farming sector for which the government began to give subsidies just two years ago," said Rep. Han.

Han and his delegation met U.S. Trade Representative Carla Hills, Commerce Secretary Robert Mosbacher and Agriculture Secretary Clayton Yeutter in Washington, and Arthur Dunkel, director-general of the GATT, Aart de Zeeuw, chairman of the UR Agriculture Negotiation group, and dozens of other officials of major participating countries in Geneva and Brussels.

The EC Executive Commission adopted a proposal for a 30 percent cut in farm subsidies between now and 1996, though it has yet to be endorsed by the EC Council of Ministers, while the United States suggests a 75 percent cut in production subsidies for agricultural goods over 10 years from 1991-1992.

Han observed that the global negotiations to create a new trade order in the 21st century which was kicked off four years ago in Punta del Este, Uruguay, is unlikely to produce agreements during the five-day meeting of ministers starting Dec. 3 in Brussels because of sharp differences between the EEC, the United States and the Cairns Group composed of 14 farm exporting countries, about the rate of subsidies for production and export of agricultural products.

"Unless a dramatic agreement is made among them on farm subsidies, the possibility of the Uruguay Round negotiations reaching overall agreements during the upcoming conference is uncertain," said Rep. Han, 53, of the ruling Democratic Liberal Party. He said that the failure of the multilateral negotiations organized by the General Agreement on Tariffs and Trade (GATT) would not bode well for world trade as well as for South Korea.

"If the Uruguay Negotiations fail, it will bring about great confusion in the world trade order. First of all, the United States, the largest market in the world, would exert tremendous pressure upon other countries to open their markets by returning to bilateral negotiations. It would be a severe blow to us," said the former trade industry minister.

He went on, "Therefore, our positive participation in the global trade negotiations is needed so that our country may reflect its interests and position in the Uruguay Round negotiations." Rep. Han called upon the government to have ranking officials of economic ministries reside in Geneva and Brussels to "effectively" deal with the trade negotitions.

Government Called 'Delinquent' in Uruguay Round

SK2710070790 Seoul YONHAP in English 0641 GMT 27 Oct 90

[Text] Seoul, Oct. 27 (OANA-YONHAP)—A group calling the South Korean Government "delinquent" in its responsibilities on the Uruguay Round trade talks, on Saturday laid out in detail what it thinks the government should do. A statement by the alliance of anti-government activists listed 21 countermeasures, eight for external execution and 13 for internal, but rejected calls to deny the multilateral talks, saying it was impossible to retreat from the General Agreement on Tariffs and Trade (GATT) and that maintaining the staus quo was not the best way to solve the problems of Korean agriculture.

In order to strengthen the basis for negotiations abroad, the alliance proposed repealing the decision to cooperate with the United States in the talks, build up a trade deficit in order to legitimately restrict imports, and exclude strategic items from the list for import liberalization but include agricultural items.

It proposed reducing subsidies for manufactured export items, refusing to import subsidized agricultural products, adopting an import charge system and adjusting concessionary tariffs on beans, wheat and corn. Internal countermeasures included putting the results of the Uruguay Round talks to the National Assembly for ratification, forming an agricultural trade committee, and banning foreign multinational grain dealers and food companies from Korea.

Other suggestions were complete revision of the development plan for farming and fishing households in preparation for import liberalization, technological renovation of agriculture to improve its international competitive power and restricting imports of agricultural produce and food by beefing up quarantine inspections. The alliance urged consumption of Korean produce and proposed installing a food security system, encouraging non-chemical and organic agriculture, introducing crop insurance and pensions for farmers, training specialist farmers and increasing the budget in agricultural areas.

Security Agency Arrests 40 Communist Sympathizers

SK3010030790 Seoul YONHAP in English 0241 GMT 30 Oct 90

[Text] Seoul, Oct. 30 (OANA-YONHAP)—Forty labor activists have been arrested and referred to the prosecution and a nationwide manhunt launched for 150 others in one of the biggest operations ever put together by South Korea's security agency against communist sympathisers. The Agency for National Security Planning (NSP), South Korea's central intelligence body, announced the roundup Tuesday as a result of an investigation into the year-old South Korean Socialist Workers' Alliance, commonly known by its Korean acronym "Sanomaeng."

NSP said the estimated 1,600-member group had infiltrated labor unions, published seditious articles calling for a workers' revolution against capitalists, and planned the illegal manufacture and possession of weapons. Sanomaeng, calling Korea a "new colony of government monopolized capitalism" dependent on Japan and the United States, hoped to establish a socialist system led by the nation's 10 million laborers, and the plan included establishment of a workers' party by 1992, it said.

The NSP announcement said 230 members of Sanomaeng are from labor organizations, 1,030 from academic institutes, 320 from activist youth groups and 30 from the yet-to-be-established People's Party.

Arrested were Nam Chin-hyun, a 27-year-old junior expelled from Seoul National University and a member of the Alliance's Central Committee, and 39 other "core members" on charges of violating the anti-communist National Security Law, which gives the NSP the authority to arrest any "leftist" it deems is sympathetic to Marxism-Leninism.

The 150 who escaped the dragnet include Paek Tae-ung, the top leader of Sanomaeng, Pak Ki-pyong, a well-known underground writer, and his wife, Kim Chin-chu.

The announcement said more than 7,000 items were taken as evidence, including computer disks with files on the group's activities, gas guns and savings books.

Paek, a former student Association president at Seoul National University, was deeply involved in labor movements since 1986 and went underground when police put him on a wanted list in June 1987, according to NSP. Paek and Pak, wanted by police for writings sympathetic to North Korea and Kim Il-song's "chuche" (self-reliance) ideology, formed Sanomaeng in February last year with some 140 followers and declared the Alliance's formal inauguration in Seoul in November. The declaration said Sanomaeng was friends with North Korea's Workers' Party and the Soviet Communist Party, NSP said.

The alliance sought to reach the public through written works and acquired a publication permit from the government early last year. The group published "Laborers' Liberation Literature," a book the NSP said urged a collective struggle to abolish social class and attain freedom from the capitalist chain.

Sanomaeng members, all using pseudonyms, infiltrated more than 50 factories and tried to control union activities, the announcement said. The Alliance disguised its activities by using the names of private companies and members contacted each other through secret codes and messages, it said. Nam, the arrested Central Committee member, ordered Sanomaeng members to develop explosives for protection against a police raid, the announcement said.

Ruling Party Feuding Over Cabinet System Accord

SK2710072590 Seoul YONHAP in English 0702 GMT 27 Oct 90

[Text] Seoul, Oct. 27 (YONHAP)—Factional strife inside the ruling Democratic Liberal Party (DLP) has emerged again in the wake of the revelation of a secret accord on a cabinet system of government. The three-point agreement, signed by President No Tae-u, Kim Yong-sam and Kim Chong-pil, has also hurt the ruling party's attempt to end the three-month-long deadlock in parliamentary politics.

The agreement, which came shortly before the opposition parties led by the two Kims joined the Democratic Justice Party to set up the giant ruling party, says that the three party leaders would seek a constitutional change for a cabinet format within a year.

The factions led by DLP Co-Chairmen Kim Chong-pil and Pak Tae-chun said Saturday the plan for a new power structure is unchangeable while the faction led by Kim Youg-sam, the no. 2 man in the ruling party, kept its stiff view that adopting a cabinet system was impossible if the opposition was against it.

Analysts predict that feuding over the issue will explode late this year or early next year, when discussion is formally allowed within the party. No and the three other party leaders recently decided to hold off their discussion of the controversial issue till early next year, saying social stability was more important. However, it became an object of political controversy when a copy of the secret agreement was published in the press Thursday.

DLP Executive Chairman Kim Yong-sam, a strong advocate for the current presidential system, immediately expressed anger over the leakage. Kim's followers, the second largest faction of the dominant party, reportedly demanded that those responsible for the leak be found and punished. They reportedly demanded full reconsideration of the May 6 accord to determine whether it is still desirable and right.

Pak who leads the largest faction, the pre-merger ruling Democratic Justice Party (DJP), contested the reaction from Kim's faction, saying, "The leakage and the agreement itself are quite different each other. I think the agreement should be observed once it was made. That is what leaders should do." DJP floor leader Kim Yun-hwan, who belongs to the former DJP group, sided with his boss, saying the party had no reason to exist if it buried the idea of a cabinet system, which is stipulated in the party constitution.

In addition to the escalating feud between the ruling party factions, the main opposition Party for Peace and Democracy, led by Kim Tae-chung, showed a strong criticism of the agreement. "It will adversely affect negotiations under way with the ruling party to normalize the paralyzed parliamentary politics if the ruling party does not explain it and make an apology," PPD sources said.

Pak Chun-pyong, DLP secretary general, said he was willing to resign to take responsibility for the leak of the agreement. He said he lost one of the two copies of the accord around the end of May, when the presidential office handed them to him.

Several Members May Desert

SK2710001790 Seoul THE KOREA TIMES in English 27 Oct 90 p 2

[Text] Not a small number of lawmakers of the ruling Democratic Liberal Party [DLP] have hinted at the possibility that they would desert the party if the plan to introduce the parliamentary cabinet system is pushed through.

Most of them are followers of executive chairman Kim Yong-sam, who is opposed to the new form of government.

They said they have no other choice but to push for the creation of a new opposition party. Executive chairman Kim would not join them in the creation of a new opposition party, however.

If a new opposition party is created, it will be free of the influence of the two Kims—Kim Yong-sam and Kim Tae-chung, president of the opposition Party for Peace and Democracy [PPD], they said.

Such an intention surfaced following the revelation of a written document signed in May by executive chairman Kim, co-chairman Kim Chong-pil and President No Tae-u, in which they jointly pledged to make efforts to introduce the parliamentary cabinet system after the three parties led by the three merged into the present DLP.

The lawmakers said there had already been some contact with the Democratic Party and some lawmakers of the PPD to sound out the possibility of inaugurating a new opposition party as the planned merger between the PPD and DP looks dead in the water.

But the rank and file of the ruling party dismissed the move as armchair dreaming.

Despite written agreement among the three, executive chairman Kim expressed his strong opposition to the adoption of the parliamentary cabinet system, citing the opposition of the people and PPD.

Party insiders said the ruling camp will be racked by the strife over the introduction of the new form of government.

Secretary General May Resign

SK2710022890 Seoul YONHAP in English 0103 GMT 27 Oct 90

[Text] Seoul, Oct. 27 (YONHAP)—Rep. Pak Chun-pyong, secretary general of the ruling Democratic Liberal Party (DLP), said Friday he intends to resign over the leak of a secret agreement on constitutional revision signed in May by President No Tae-u, Kim Young-sam and Kim Chong-pil, a DLP source said Saturday.

Pak offered to resign to DLP executive chairman Kim Yong-sam and confessed that he lost the document in May, when he distributed copies of the accord to the two Kims, according to the source.

Pak was told by No in May to hand copies of the agreement to the executive chairman and Kim Chong-pil, a co-chairman of the party, but he delivered a copy only to Kim Chong-pil as he had lost the one addressed to Kim Yong-sam, he said.

Pak later found it, but it had fingerprints on it so he could not deliver it to Kim.

Kim Yong-sam was displeased with the release of the pact to a newspaper because he had denied its existence and opposed introducing a parliamentary cabinet system of government by constitutional revision.

The agreement was published by CHUNGANG daily news Thursday, triggering an uproar within the governing party's factions.

Apparent 'Calming' Reported

SK3010054190 Seoul YONHAP in English 0513 GMT 30 Oct 90

[Excerpt] Seoul, Oct. 30 (OANA-YONHAP)—A serious feuding within South Korea's ruling party began calming down on Tuesday, as rival factions neared a compromise on handling issues arising from moves to adopt a parliamentary cabinet system.

President No Tae-u, head of the Democratic Liberal Party (DLP), vowed to take some steps, including the dismissal of party Secretary-General Pak Chun-pyong, who was held responsible for leaking a secret document signed by him, Kim Yong-sam and Kim Chong-pil on a cabinet system, while Kim Yong-sam, a central figure of the dispute, responded with a retraction from his boycott of party affairs from Wednesday, a ruling party source said.

No sent Choe Chang-yun, senior presidential secretary for political affairs, to Kim Yong-sam early Tuesday morning to convey his message in connection with the feuding over the parliamentary cabinet system. Kim was learned to express his sympathy with the need to put down the dispute as early as possible, the source said. Kim, the No. 2 man in the DLP, is expected to resume his works in the party Wednesday, said the source, while briefing the Kim-Choe meeting.

No met with First State Minister Kim Tong-yong, a right hand man of Kim Yong-sam, on Monday evening and vowed to take stern disciplinary steps against those responsible for leaking the secret document, the source said.

No told the state minister that the ruling party should put off debate on the system of government until after the end of this year but made it clear that the DLP may seek a constitutional revision to adopt the cabinet government system from next year, a presidential spokesman said. No also said he still prefers a cabinet system to presidential one, but stressed "now is the time for the nation to focus on handling more urgent issues, such as inter-Korean relations and economic difficulties," according to the spokesman.

No is expected to meet with the executive chairman later this week to settle the feuding triggered by the leak of a confidential memorandum on switch to a parliamentary cabinet system, according to the source. [passage omitted]

PPD Protests Secret Cabinet System Accord

SK2710072790 Seoul YONHAP in English 0702 GMT 27 Oct 90

[Text] Seoul, Oct. 27 (YONHAP)—The opposition Party for Peace and Democracy, PPD, as expected, loudly protested the secret exchange of a written agreement among President No Tae-u, Kim Yong-sam and Kim Chong-pil to pursue a parliamentary cabinet system. Kim Yong-pae, the PPD floor leader, met with his counterpart from the ruling Democratic Liberal Party, Kim Yun-hwan, on Saturday morning and was heard raising his voice. The PPD leader protested that any inter-party talks must come to an end under current circumstances and warned, "There is no telling what may develop in the future."

Kim Yun-hwan, on the other hand, trotted out the old party line that the DLP will not pursue a parliamentary cabinet system if the people and the opposition parties do not approve. PPD spokesman Kim Tae-sik came out with a note of sarcasm, saying DLP officials seem less concerned about whether to go ahead with the change as about nabbing who leaked the written agreement, whose existence was denied by DLP executives until now.

Kim Tae-chung Warns No To Drop Cabinet Plans

SK2910034390 Seoul YONHAP in English 0224 GMT 29 Oct 90

[Text] Seoul, Oct. 29 (YONHAP)—Opposition leader Kim Tae-chung called on President No Tae-u to publicly declare that he would not seek to adopt a parliamentary cabinet system of government Monday, threatening him with massive popular protests if he refused. The president of the Party for Peace and Democracy (PPD), in his first news conference since ending a two-week hunger strike a week ago, warned of a repeat of the protests of June 1987 against President Chon Tu-hwan's government unless No "immediately" dropped his "immoral and undemocratic" plans to rewrite the Constitution and replace the presidential system.

"The current political situation is a crisis. There is a conspiracy of certain forces intentionally inducing politics to disruption, mistrust and confusion," Kim said. "I call on No to take an immediate and resolute decision to prevent a misfortune impending on the people and himself without wasting any more time."

Contending the ruling party had lost the trust of the people, Kim said, "President No should either dissolve the ruling party, or leave it, and form a new National Assembly after dissolving the current one." Kim proposed that he meet with No to discuss the legal aspects of dissolving parliament.

He criticized moves for constitutional change as immoral and said, "They favor a cabinet system because they find no way to beat my party under the presidential system. No should make a solemn apology for the secret memorandum, which is nothing but cheating the people. He should publicly declare he will do his best to end the crisis caused by the leakage."

Kim said he would decide whether his party's lawmakers would retract their resignations from the National Assembly after seeing how things go. "So far, all we have in front of us is the leak of the secret accord for a cabinet system. The ruling party has not made a formal decision yet to seek to adopt the system, so we will see how things fare before deciding whether to return to the Assembly," Kim said. He renewed his party's position that candidates in local elections should have party nomination.

DLP To Maintain Low Profile in By-Election

SK2710002790 Seoul THE KOREA TIMES in English 27 Oct 90 p 2

[Text] The government party with little possibility of victory in the by-election in Yonggwang-Hampyong, Chollnam-to, declared yesterday that it will not campaign at full pitch in order to prevent an over-heated election.

Rep. Pak Hui-tae, spokesman of the Democratic Liberal party [DLP], said yesterday that his party will begin a campaigns for a "fair" election in the district of the southwestern province. The voting is slated for Nov. 9.

"Our party hopes that the by-election in the Yonggwang-Hampyong district will be held in a fair and clean manner so that it may be an example for the upcoming local council elections and the 1992 general elections," spokesman Pak said. He said, "The by-election in the district is no more than an election to fill a vacant seat."

The DLP has fielded a former Assemblyman Cho Ki-sang, while the main opposition Party for Peace and Democracy [PPD], led by Kim Tae-chung, nominated Prof. Yi Su-in of Yongnam University in Taegu. The PPD said that it had nominated the professor in order to help dislodge the regional antagonism.

The PPD swept the 37 districts of the Cholla province in the 1988 parliamentary elections.

The DLP said that it will file charges against any act of illicit campaigning in the district by collecting "evidence" thoroughly. In particular, the DLP threatened to bring charges against illegal campaigning under the pretext of "ordinary activities" of political parties.

Pak Chong-hui Memorial Reveals Apparent Changes

SK2710001190 Seoul THE KOREA HERALD in English 27 Oct p 2

[From the "Out and About" column: "Kim Chong-pil and Pak Kun-hae Get Together"]

[Text] Kim Chong-pil, husband of a niece of the late President Pak Chong-hui, and Pak Kun-hae, Pak's eldest daughter, appear to have patched up their differences 11 years after Pak was assassinated.

Kim and Pak Kun-hae jointly organized a memorial service for the deceased at the National Cemetery in Southern Seoul yesterday.

The hour-long service was attended by some 2,500 people, many of whom held influential positions under the authoritarian rule of Pak Chong-hui. They include Hong Song-chol, now minister of unification, and O Chi-song, former minister of home affairs.

Until last year, Kim and Pak Kun-hae held memorial services separately because of their animosity Pak reportedly had labeled Kim Chong-pil, now a co-chairman of the ruling DLP [Democratic Liberal Party], a "renegade" for his alleged lack of support for the policies pursued by Pak Chong-hui.

In a eulogy, Pak Kun-hae, unmarried, said she felt relieved by the people's "positive reassessment" of her father's "achievement." She said she sensed the people have been changing their understanding of what her father did.

Kim Chong-pil said the nation, beset by "social uncertainty and turmoil," needs Pak's "outstanding" leadership.

Pak Chong-hui Aide Says Murder Was 'Incidental'

SK2710001590 Seoul THE KOREA HERALD in English 27 Oct 90 p 2

[Text] The late President Pak Chong-hui never considered voluntarily stepping down before his assassination in 1979, an eyewitness to his death alleged in an interview yesterday.

"I believe Pak never seriously thought about handing power over to a successor," said Kim Kae-won, who was Pak's chief secretary at the time of his murder, in an interview with the vernacular daily, Tong-A Ilbo. The allegation contradicts an assertion by Pak's eldest daughter, Kun-hae, that he had then Prime Minister Choe Kyu-ha in mind as his successor.

"As far as I know, Pak intended to remain in power indefinitely till he judged that his goals, such as the nation's modernization, had been fully achieved," Kim said.

He alleged Pak's assassination was an incidental occurrence, not a carefully planned murder for a coup d'etat. Kim is a surviving eyewitness to Pak's assassination by his intelligence chief, Kim Chae-kyu, during a private party 11 years ago yesterday.

At the party held at a "safe house" near Chongwadae, the intelligence chief shot the president and his chief guard, Cha Chi-chol, to death. Kim was also present at the scene as secretary-general to the president, but escaped unhurt.

The assassin, who had been in charge of the then Korean Central Intelligence Agency, was later arrested an executed on conviction of treason and murder charges. Kim was also sentenced to death for collusion with the intelligence chief, but was granted a special amnesty in 1982 and freed.

"During the party, the intelligence chief got enraged during an argument with Cha over key political issues, and shot him to death, and went on to kill Pak," Kim said. "It was an accidental occurrence. It was not an incident carried out on the basis of a carefully planned plot to overthrow Pak's government," he claimed.

He denied the allegation that Pak may have hidden some of his slush funds abroad. "It may not be unusual for the head of state of any nation to deposit secret political funds in foreign banks," he said, "but, I never knew that Pak did such a thing."

He stressed that Pak was a "clean man" as far as money was concerned.

He described the so-called Dec. 12 incident in 1979 as a "treacherous act" in which order in the military was completely broken. The incident refers to the arrest of then Army Chief of Staff Gen. Chong Sung-hwa, who was then serving as martial law commander, by a group of soldiers ordered by then Army Maj. Gen. Chon Tu-hwan.

Then chief of the Defense Security Command, Chon was in charge of military investigation of the assassination. Following the arrest of the Army chief of staff, Chon took control of the military and later ascended to power. "The incident completely broke tradition in the military," Kim remarked.

He also talked about the allegation that Chon as chief of the military investigation command used arbitrarily about 900 million won which was in a safe at Pak's office. "A considerable amount of money was kept in Pak's office at that time," he said. "The key to the safe was kept by Kun-hae. I cannot figure out how Chon got the money out."

Military Facility Construction Bill Drafted

SK2810022590 Seoul THE KOREA HERALD in English 28 Oct 90 p 3

[Text] The government and the ruling Democratic Liberal Party are drafting a law to make the construction of military facilities more efficient and to protect civilians from financial damage, officials said yesterday.

The legislation, which the ruling camp plans to pass during the current sitting of the National Assembly, will require plans for military facilities to be submitted to the defense minister for approval.

The minister will consult with the heads of related government agencies and provicinal administrations before he gives the go-ahead under the new law, which will replace the laws that now apply to military construction projects—the laws on land accommodation, preservation and utilization of farmland, expedition of farmland expansion and development, foresty, and grassland.

Once the minister gives permission, mayors, country chiefs or chief officials at ward offices will be notified so that work can start.

If construction does not start within five years, the permit will be invalid. At present, the owner of land for which a military construction permit has been issued cannot exercise any rights over the land unlss the plan is cancelled.

The bill will leave matters concerning compensation for land owners and acquisition of land for military facilities to the exceptional Law on Public Land Acquisition and Loss Compensation.

It will allow planners to assign purchase of land to the heads of provincial administrations.

Government To Open Domestic Communications

SK1210004890 Seoul THE KOREA HERALD in English 12 Oct 90 p 3

[Text] The government plans to open up most of the domestic communications industry to foreign firms, but will not liberalize "intracorporate communications" for the time being, said the Ministry of Communications yesterday.

Intracorporate communications mean those which enable companies to communicate with their affiliates, subsidiaries and branches, one official said. "Intracorporate communications are telecommunications which allow companies or firms to communicate on a noncommercial basis with or among their affiliates, subsidiaries and branches with which they have a legal relationship with respect to internal administrative, financial and technical matters," he said. This term excludes commercial services supplied to unrelated companies or firms, or offered to customers or potential customers," he added.

The United States is demanding that Korea include the service in the list of telecommunications which can be opened up, said Pak Song-tuk, director of the ministry's Telecommunications Policy Bureau. He said that if the intracorporate communications sector is liberalized, domestic telecommunications will be dominated by American business concerns. Pak said Korea is willing to open the domestic telecommunications market in the long run. "A hasty and sweeping market opening is feared to inflict immeasurable damage on our industry," he said.

After the U.S. government named Korea a PFC (priority foreign country) early last year, both countries have held five rounds of talks until last February to narrow their differences. Korea escaped U.S. sanctions in the telecommunications sector and gained a one-year moratorium for market opening, Pak said. But Korea pledged to liberalize the international value added network (VAN) services effective July next year.

The Communications Ministry recently formed a 27-member committee comprised of telecommunication experts, business executives, and scholars to work out countermeasures in the ongoing Uruguay Round of trade negotiations. The committee had its first meeting Wednesday presided over by Minister Yi U-chae. "The future of the world communication market may hinge on the outcome of the Uruguay Round negotiations, scheduled to wind up at year's end," Yi said.

Worldwide telecommunications experts will hold the fourth and last round of talks in Geneva Oct. 15-17 to discuss the proposed "telecom annex" which lists intracorporate communications as a possible sector for market opening, Pak said.

Management Group Reports 1989 Business Activity

SK1210050090 Seoul YONHAP in English 0159 GMT 12 Oct 90

[Text] Seoul, Oct. 12 (YONHAP)—The aggregate turnover of South Korea's 3,000 largest companies last year was 211.46 trillion won (295.75 billion U.S. dollars), up

12.5 percent from 1988, the Korea Management Association (KMA) reported Friday. Net profit, however, shrank 0.2 percent to 5.26 trillion won (7.36 billion dollars), according to the KMA report.

Sales growth was below 17.36 percent in 1988 and profit declined from 2.8 percent of turnover to 2.49 percent, the report said. The equity ratio rose from 15.5 percent to 18.66 percent. Sales averaged 70.37 billion won (98.4 million dollars) and profits averaged 1.76 billion won (24.55 million dollars).

Samsung Co. had the highest sales but the most profitable company was the state-run Korea Electric Power Corp. (Kepco). Samsung was top for the fifth consecutive year with turnover of 7.61 trillion won (10.65 billion dollars), followed by Hyundai Corp. with 5.7 trillion won (7.98 billion dollars), Samsung Life Insurance Co. with 4.92 trillion won (6.88 billion dollars), Daewoo Corp. with 4.79 trillion won (6.7 billion dollars) and Kepco with 4.57 trillion won (6.39 billion dollars).

In terms of profit, Kepco was first with 766.1 billion won (1.07 billion dollars), followed by the Korea Telecommunication authority with 310.6 billion won (434.41 million dollars), Daewoo with 215.1 billion won (300.84 million dollars), Samsung with 158.4 billion won (221.54 million dollars) and Pohang Iron and Steel Co. with 144.5 billion won (202.1 million dollars).

The top 100 firms accounted for 53.3 percent of total sales, and the top 500 for 77.8 percent, the report said. The 100 also had 53.5 percent of the assets and 54.2 percent of the net profits.

Burma

Karen Leader: Junta To Face 'People's Revolt'

BK3010032090 Bangkok BANGKOK POST in English 30 Oct 90 p 2

[By Suphaphon Kanwirayothin in Manerplaw, Burma]

[Text] The military junta in Rangoon is likely to face another people's revolt in the very near future, leader of the Karen National Union [KNU] Gen [General] Bo Mya said here yesterday.

Gen Bo Mya, who also chairs the Democratic Alliance of Burma [DAB] which is an umbrella organisation of 21 dissident and ethnic groups, said the momentum for a possible popular uprising had picked up strongly after the recent crackdown on rebellious monks in which troops raided monasteries in Rangoon and Mandalay, and arrested some monks. As a result of such drastic action against the monks, and the military junta's refusal to transfer power to the people's representatives elected in May, people from all walks of life in the country "are very dissatisfied and hate" the State Law and Order Restoration Council (SLORC), he said.

Citing unconfirmed reports from sources inside Burma, Gen Bo Mya said some monks were executed, while a number of others were detained by the junta.

Gen Bo Mya also revealed that the DAB will meet on November 12 to discuss strategy to rally cooperation from the people and political parties in Burma to topple SLORC.

"In the past we were hoping that NLD (National League for Democracy) which won a landslide victory in the May elections would form a democratic government. "But now that all its leaders are detained, there is no more hope that NLD will run the country. It is now our duty that we from the outside and those inside cooperate so that we can have a democratic government that will bring peace and prosperity to the country," Gen Bo Mya said.

He emphasised that he had a very high hope for the success of toppling the military rule as the disgruntled people and frustrated political parties would unite with the DAB for the cause. He also said he believed in the strength of people's power. "The whole country does not like the junta anymore. It's only a matter of when the people would pluck up their courage, which I hope won't be long. They will rise up again and then the junta will have to either flee the country or step down," he said.

Gen Bo Mya admitted, however, that the army's Directorate of Defense Services Intelligence was very efficient in tracking down and nipping in the bud seeds of dissension among mid- to low-ranking officers, thereby managing to keep the army's unity intact.

The KNU leader said that following the crackdown on monks, the Rangoon High Command instructed its soldiers along the border to remain vigilant and take action against monks and members of political parties who fled to the border.

Karen Leader: Army Planning Chemical Attacks

BK3010021590 Bangkok BANGKOK POST in English 30 Oct 90 p 2

[Text] The Burmese Army is planning to use chemical weapons from China in an attempt to wipe out the country's ethnic insurgents, Karen National Union leader General Bo Mya claimed yesterday. General Bo Mya said an arms shipment that included chemical weapons arrived in Rangoon in March.

According to the Karen leader, whose forces make up the largest group of armed insurgents along the Thai-Burmese border, the shipment came from China. General Bo Mya said the arms shipment to Burma was the first to contain chemical weapons.

Recently there were small clashes between Burmese and Karen forces which the general described as "a prelude to a major offensive to come." The military junta intended to undertake this large-scale offensive "in order to divert people's attention from the internal affairs to the border," he added.

Asked whether he was prepared for a chemical attack, he said, "We trust in God."

'Sources' Say Troops To Attack Mon Stronghold

BK2710081090 Bangkok BANGKOK POST in English 27 Oct 90 p 2

[Text] Prachuab Khiri Khan—A Mon rebel stronghold on the Burmese border 52 km south of this province will be attacked by elite Burmese forces soon, rebel sources said.

Rebels of the New Mon State Party (NMSP) have a jungle base there under the command of Nai Pagoman, a former Buddhist monk who furthered his military education in Taiwan. There are about 300 Mon rebels at the base. Part of their income comes from taxes they impose on timber traders.

A fresh force of about 200 soldiers from Ye township's 61st Battalion arrived at Darnsingkon camp near the Thai border in this province on October 19 to strengthen another 400 Burmese soldiers already stationed there, sources said.

Darnsingkorn, 40 km north of the NMSP base, is on the route used by Japanese soldiers to enter Burma during the Second World War after they landed in Thailand. Darnsingkon, on the Burmese side of the border, was formerly the site of a rebel base of the Karen National Union which was overrun by the Burmese early this year.

BBC Reports Government's Pressure on NLD

BK3010052090 London BBC in Burmese to Burma 1345 GMT 29 Oct 90

[Pam O'Toole report]

[Text] According to Pam O'Toole's report to the BBC, it appears that at least 33 leaders from a major political party have been arrested by the military government during last week in Burma and that up to half the leadership in seven divisions in the country have been detained. Although the NLD [National League for Democracy] won a landslide victory in the elections, the military government has not transferred power.

According to recent statements by diplomats, the government carried out extensive arrests of 14 NLD leaders last week. The diplomats are now saying the number of arrests has reached 30. Among those arrested were five members of the NLD Central Executive Committee, nine members who have been elected as members of the People's Assembly, 10 youth leaders, six divisional and township organization officers, and three persons from the NLD Information Department. According to one diplomat citing a reliable source, half of NLD leaders in the seven divisions are now under arrest and that percentage of arrest varies from division to division. The majority of the arrests are reported to have taken place in Mandalay Division—the center of the recent acts of protest—where 75 percent of the leadership have been arrested.

According to the diplomats, such arrests of the NLD leaders, bans on the NLD members contacting foreign journalists and diplomats, and coercion of political parties to sign a declaration [SLORC Declaration 1/90], which would indefinitely prolong transfer of power, are aimed at effectively paralyzing the opposition. Early last week, the military government attempted to crush the only protest movement inside Burma by trying to end the religious boycott of monks against the military personnel and their families. The diplomats say the NLD is now effectively isolated and paralyzed with the majority of its leadership under arrest and its telephones intercepted and prohibited from contact with the outside world. They say that at present it would be very difficult to arrange a major conference to express their dissatifaction. The committee in charge of convening the National Assembly appeared not to have held a meeting. However, according to a diplomat, the party has not collapsed totally, and there is unity among those who remain free, although (?members) from outside the capital city have difficulty entering the city.

Following a report that almost all political parties in Burma have decided to sign the military government's declaration on an indefinite period for transfer of power, the military is applying more pressure on the NLD. According to a diplomat, the Shan National League for Democracy and the Union National League for Democracy, which have over 60 elected representatives, and the Democracy Party, which won one seat, are reported to have signed the military government's declaration. The diplomats say the National Unity Party is likely to sign the declaration soon if it has not signed it already. They say the only party that has refused to sign the military government's declaration is the Democratic Party for New Society, which is based on students.

The NLD remains the only party that has not decided whether or not to sign the declaration. Pam O'Toole reports that according to a diplomat, the NLD now has to decide between the two paths—that of losing the people's trust or that of letting the opportunity to obtain power slip by totally by allowing the party to be declared an illegal organization by refusing to sign the declaration.

The current measure is being taken against the NLD following the government's action against the only surviving effective protest movement in Burma, the religious boycott of monks against the military and their families. Now that the protest movement of the monks has ended, many diplomats say that in four or five days they have not received any report of monasteries or persons who remain defiant toward the government. However, according to a reliable source, monks continue to show their protest in Mandalay as of Monday, and sporadic demonstrations that occurred in August and September appear to have ended. According to one diplomat, at present it is more peaceful in Rangoon, the military government appears to have defeated the opposition's challenge, and the public is tolerating the situation out of fear.

Brunei, Malaysia & Singapore

Brunei

Malaysian King Arrives for Four-Day Visit

BK2810091190 Kuala Lumpur International Service in English 0800 GMT 28 Oct 90

[Text] Their Majesties the King Sultan Azlan Shah and Queen Tuanku Bainun were accorded a red-carpet welcome on arrival in Brunei Darussalam today for a four-day state visit. The royal couple were warmly received by Their Majesties Sultan Hassanal Bolkiah, the Raja Isteri [the Sultan's consort], and Pengiran Isteri [princess] at a ceremonial reception at the ground of Istana [Palace] Nurul Iman. A 21-gun salute was fired to mark the start of the visit. His Majesty Sultan Azlan Shah later inspected a guard of honor accompanied by the chief of the Royal Brunei Armed Forces, Pehin Major General Datuk Sri Paduka Haji Awang Suleiman. Their majesties were then introduced to a line of dignitaries as well as heads of diplomatic corps. Their majesties will stay at Edinburgh Palace during the visit.

Also accompanying the delegation are the members of the royal family and the minister of public enterprises, Datuk Dr. Yusof Noor, who is also the minister-in-attendance. This afternoon, the royal couple were scheduled to visit the government housing project at [place name indistinct]. During the visit, His Majesty Sultan Azlan Shah will be conferred the honorary doctorate of law by the Brunei Darussalam University. The king and queen will also meet some 50,000 Malaysian workers in the country.

Malaysia

Official Confers Award on ROK Army Chief

BK2610154190 Kuala Lumpur International Service in English 0800 GMT 26 Oct 90

[Text] Malaysia wants to revive the joint production and procurement (?specialists) committee of the Ministry of Defense and the South Korean Ministry of National Defense. Deputy Defense Minister Datuk Abang Abu Bakar Mustapha said today the committee cochaired by the Malaysian Defense Ministry deputy secretary general, Datuk Said Rosli Said Abu Bakar, and his South Korean counterpart will meet soon to revive the committee and identify possible joint venture projects. The committee had not met for the past two years due to unavoidable reasons.

He was speaking to reporters after presenting an award to South Korean Army Chief General Yi Chin-sam at the Defense Ministry in Kuala Lumpur on behalf of the king. Datuk Abang Abu Bakar said under the committee, which was set up in the 1970's, a dozen Malaysian scientists had been to South Korea for studies on special projects or study tours. Malaysia had bought 318 million ringgit worth of ammunition, spare parts, and other defense equipment from South Korea during the 1978-1979 period. General Yi is on a four-day official visit to Malaysia.

Marine Pollution Conventions To Be Ratified

BK2910083890 Kuala Lumpur BERNAMA in English 0738 GMT 29 Oct 90

[Text] Kuala Lumpur, Oct 29 (OANA-BERNAMA)—Malaysia will be ratifying conventions related to the prevention of marine pollution like the Marpol Convention, Intervention Convention, London Dumping Convention, and the Civil Liability Convention. Transport Minister Dr. Ling Liong Sik said Monday [29 October] this would be done once the legislative and administrative groundwork, which included amending the Malaysian Shipping Ordinance 1952, was completed.

Launching the four-day ASEAN seminar on reception facilities in ports here, he said [words indistinct] the Interational Convention for the Prevention of Pollution From Ships 1973 and its protocol of 1978 (Marpol Convention) had already been accepted internationally. Malaysia would ratify this convention as it showed that it could be implemented in this part of the region, he said.

Ling said the ministry would give due emphasis to environmental issues in the overall planning and development of the maritime industry. He said many of the issues related to upgrading safety and protection of the marine environment in this region needed a regional or international approach.

He also said the Side-Looking Airbone Radar (SLAR), based at the Kuala Lumpur International Airport, which has been used for the ASEAN region since a year ago, was monitoring the illegal operational discharges in the ASEAN waters.

Cambodia

France, Indonesia Plan Peace Summit in Nov

BK3010102590 Hong Kong AFP in English 0954 GMT 30 Oct 90

[Text] Paris, Oct 30 (AFP)—The French and Indonesian foreign ministers have called a meeting on the Cambodian peace process to be held in Jakarta in mid-November, a French spokesman said late Monday.

The announcement was made after a working dinner between French Foreign Minister Roland Dumas and Indonesian Foreign Minister Ali Alatas, who flew into Paris to discuss a timetable for reconvening the international conference on Cambodia.

France and Indonesia are co-sponsors of the conference, which held a lengthy but fruitless first session in the French capital last August.

The Jakarta meeting will be held "at the start of the second half of November". The spokesman said it would be followed by a meeting in Paris "at the end of November" to report back to the Supreme National Council (SNC), the joint interim authority of the Phnom Penh government and its three resistance opponents.

The SNC, set up under a United Nations blueprint last month, would administer Cambodia until elections are held, but differences persist over its leadership.

The Jakarta meeting next month would include Mr. Dumas and Mr. Alatas as chairmen, a representative of the UN secretary general, the four other members of the UN Security Council—the United States, Soviet Union, China and Britain—and the heads of the three commissions in the Cambodian international conference representing India, Canada, Laos, Malaysia, Australia and Japan. If the work at both the Jakarta and Paris meetings goes well, then a meeting of the Paris coordination committee can be held, the spokesman said.

"The two co-chairmen are in agreement over reactivating the Paris conference and pursuing the process despite the hazards," he said.

The continuing dispute over who should head the SNC council has delayed peace moves and prevented the participation of an SNC delegation at the latest General

Assembly of the United Nations, where the Cambodian seat remains empty. It was to be veteran leader Prince Norodom Sihanouk, but Phnom Penh will agree only on condition that Prime Minister Hun Sen is made his deputy.

Mr. Alatas was to leave Paris for Bonn Tuesday morning.

A negotiated settlement for Cambodia was reached by the five permanent members of the UN Security Council three months ago, and resumption of the conference has been expected at the end of this year or early in 1991.

Phnom Penh Comments on Khieu Samphan Statement

BK2610141490 Phnom Penh Domestic Service in Cambodian 1300 GMT 25 Oct 90

[Station commentary: "Another Dirty Trick of the Genocidal Pol Pot Clique"]

[Text] According to foreign sources, recently Khieu Samphan loudly told people in Bangkok that agreements or protocols the State of Cambodia signed with foreign countries including humanitarian organizations, will be considered null and void once there is a political solution. Khieu Samphan also shamelessly said valid agreements and protocols include those that have been concluded with the Supreme National Council [SNC].

We ask this: What basis does Khieu Samphan have in saying this? We believe Khieu Samphan probably has not yet understood the framework document of the five major powers, permanent members of the United Nations, particularly the role and duty of the SNC, which is namely only to represent Cambodia's independence, sovereignty, and unity in the transitional period. We believe he has not yet understood that at the signing of a comprehensive solution, the SNC will transfer all necessary powers to the United Nations to ensure the implementation of the comprehensive solution.

It can be said that in the transitional period, from the time of an agreement to the establishment of a new government through free and just elections in Cambodia, the SNC is only a symbol of Cambodia's independence and sovereignty in dealing with the UNTAC [UN Transitional Authority in Cambodia] concerning a comprehensive solution. How can Khieu Samphan make such a gross statement?

This is a maneuver to scare people. This maneuver was once used by Samdech Sihanouk two years ago. The main objective of this group is to intimidate, threaten, and frighten various foreign organizations that sympathize with and want to improve the Cambodian people's living standards both materially and morally through investment in the State of Cambodia. This groups wants to make these organizations waver. Is this the lofty consideration given to the Cambodian people's interests?

Everyone knows that in the past more than 11 years, while the Cambodian people have strived to restore infrastructures with the assistance of friendly countries and various international organizations, the Pol Pot group and its allies have been using mines and TNT explosives to destroy bridges, railway lines, hospitals, schools, and even monks cells and monasteries. They have ambushed vehicles and trains and even planted mines to destroy trains. They do this to achieve their final ambition of subjugating the Cambodian people to their criminal acts. Their dirty acts not only will fail to achieve this but will increase the anger of the latter who will resolutely oppose them and beat them as well.

This will is clearly reflected through mass meetings recently held in various provinces, cities, and townships. All this has made Khieu Samphan and his allies furious. This is the Pol Pot clique's tactic of catching fish with both hands—one receiving weapons and ammunition and even tanks to massacre the people, and the other hindering efforts to restore the economy and the people's living standards.

However, as Senator Gareth Evans, Australian foreign minister, recently said, the activities of the genocidal Pol Pot gang cannot obstruct a political solution to the Cambodian problem, and no one believes that this gang can control a city or a major town. Therefore, Khieu Samphan's current gross statement is no different from the saying: The dog barks and the caravan passes.

Hun Sen, Australia's Costello Discuss Solution

BK3010064790 Phnom Penh SPK in English 0433 GMT 30 Oct 90

[Text] Phnom Penh SPK October 30—Prime Minister Hun Sen received here yesterday Michael Costello, deputy foreign minister of Australia, who is on a current visit to Cambodia.

The talks focussed on ways to further speed up a political solution to the Cambodian problem.

For a breakthrough to the Cambodian issue, Prime Minister Hun Sen spoke of the need to resume the SNC [Supreme National Council] meeting to select either a chairman and vice-chairman of the SNC simultaneously, or two co-chairmen; or alternate co-chairmen; or alternate chairmen. Then the SNC would be able to solve the key issues including the fixing of a specific date for a cease-fire, the cessation of foreign military aid to all Khmer warring factions, the sending of an SNC delegation to the United Nations, the reconvening of the Paris International Conference on Cambodia to work out detailed measures to bring peace and promote national reconstruction in Cambodia.

On whether or not Prince Sihanouk should be included in the SNC, Hun Sen said it is up to the opposition side to decide. But he added that the State of Cambodia side is ready to consider and settle the matter fairly.

NGO Official Meets Hun Sen, Leaves 25 Oct

BK2610151090 Phnom Penh SPK in English 0430 GMT 26 Oct 90

[Text] Phnom Penh SPK October 26—Mr. Raoul Jannar, a Belgian and diplomatic counsellor to the NGO [Non-Governmental Organization] for Cambodia, left here Thursday after a 22-day fact-finding tour of Cambodia.

While here, he met on separate occasions with Prime Minister Hun Sen, vice prime minister Kong Sam-ol, Foreign Minister Hor Namhong, President of the State Inspectorate Kong Korm, and Deputy Minister of Planning Keo Samut.

The Belgian official also visited a number of economic and cultural establishments in Phnom Penh and toured Kompong Speu, Kompong Chhnang, Kampot, and Pursat Provinces.

Prey Veng Receives International Groups' Aid

BK2710112490 Phnom Penh SPK in English 0430 GMT 27 Oct 90

[Text] Phnom Penh SPK October 27—With the assistance of such international organizations as the HCR [High Commissioner for Refugees], CIDSE [International Cooperation for Economic and Development and Solidarity], UNICEF, MCC [Mennonite Central Committee], WFP [World Food Program], and German Red Cross, Prey Veng Province, about 90 km east of Phnom Penh, has remarkably developed its education and health services.

Over the first nine months of this year, Prey Veng received as aid from the HCR 150,000 riels (Cambodian currency), the German Red Cross 568 shirts, and the WFP 470 tons of husked rice.

For health development, the MCC has sent its specialists to work in the province and granted 4,676,900 riels for establishing a healthe care centre and upgrading some others.

Besides, the UNICEF has donated a large quantity of medical equipment worth more than 378,630 riels and given 1,646,550 riels for the construction of 10 school buildings in the provincial town and in the districts of Peam Rou, Pea Reang, Kanh Chriek, Kamchay Mea, and Peam Chor.

Moreover, the CIDSE has provided a volume of cement and corrugated iron sheets worth over 5,700,000 riels for building a teachers' school.

Paper Discusses Enhancing Party Influence, Role

BK2610094090 Phnom Penh Domestic Service in Cambodian 2300 GMT 25 Oct 90

[PRACHEACHON editorial: "Continue Expanding the Party's Influence and Leadership Role Within the Ranks of the People and the Masses"]

[Text] The party's leadership influence can be expanded broadly and in an in-depth manner within the ranks of the people and the masses in all areas of our motherland by having the party organizations in all areas actively and effectively implement the party's political lines and work targets.

During the past nearly 12 years, the party's influence and leading role have been constantly and broadly expanded because our party has wisely carried out its leadership and correctly set its strategic goals, which include lively tactics and activities for each stage and which are linked closely to the interests of the Cambodian people. They have been expanded also because the overwhelming majority of our party members in all party organizations throughout the country have set good models in all tasks, firmly understood the people, turned themselves into the leadership core, united with the entire people, and actively strived to turn the party lines into concrete deeds in all corners of the motherland.

Our people throughout the country accept the fact that only the Kampuchean People's Revolutionary Party can give them and the motherland genuine rights, freedom, and independence. Because of this, the overwhelming majority of our people have mobilized the united forces around the party, actively taken part in implementing all party policies and lines, and successfully strived to fulfill the party's strategic tasts.

The most remarkable point, however, is that during the past several years, our country has faced many complex difficulties in the military, political, economic, and diplomatic fields. At the same time, some of our cadres have acted contrary to our party's principles and discipline. Moreover, the changes in East European countries have also negatively influenced us.

We know well that so far there has been no sign that our enemies have abandoned their strategic maneuvers to attack and topple us. On the contrary, they have resorted to every means and waited for an opportunity to attack and topple us and return the genocidal Pol Pot regime to Cambodia. Presently, their most dangerous and evil scheme is to use every possible means to lower our prestige, weaken our party's leadership influence, lessen our people's confidence in our party's leadership, undermine our internal unity, and advance toward toppling our party and state power.

To block these dark designs of the enemies in this immediate period, it is imperative for us to continue expanding our party's influence and leadership role even more vigorously and to do anything possible to unite all our forces around the party into a single man to create an energetic, combined activity of the people and masses joining in all revolutionary movements. To achieve this, all cadres and party members should pay attention to effectively fulfilling their tasks and roles. Always strive to set a good model in all tasks and be absolutely loyal to the interests of the motherland and the people. At the same time, it is imperative to enhance their revolutionary ethics and capabilities to carry out all tasks to increase the people's confidence in the party and new regime, thus serving as the core for promoting the revolutionary movement of the masses. It is imperative to immediately eradicate any attitude that will reduce the people's confidence in the party and the new regime, affecting the national defense and construction.

All party committees and party chapters should pay more attention to effectively implementing their roles and tasks, correctly carrying out the principles of democratic centralism, increasing unity within the party ranks, enhancing criticism and self-criticism, and regularly holding the party's lifestyle meetings to ensure that the party leadership from top to grass-roots levels will become even more effective.

All sectors at all levels should pay attention to promoting the building of the special forces and the work to expand the party membership both quantitatively and qualitatively to increase the party's combat forces for use in all social activities. All the policies, lines, circulars, and directives issued by the party and state should be implemented attentively, correctly, thoroughly, and in full force by avoiding any attempts to misuse the party lines for personal benefit or to lower the party's leadership influence.

At the same time, it is imperative to pay attention to building and expanding the mass organizations because they are a place where the education work is carried out to arouse the masses to unite around the party and a place from which progressive individuals are selected for the party.

By successfully implementing all these tasks, we will be able to further enhance and strengthen the party influence and leading role, thus mobilizing all forces in the motherland for successfully fulfilling the party's noble tasks in this new stage.

Radio Reports 'Salient' Events of Past Week

BK2610141890 Phnom Penh Domestic Service in Cambodian 1200 GMT 25 Oct 90

["Weekly Roundup of Salient Events" feature—read by announcer]

[Summary] The eighth annual congress of Phnom Penh's Buddhist monks successfully ended at Nirot Reangsei Monastery after two days of work. Addressing the gathering, Chea Sim, member of the Kampuchean People's Revolutionary Party [KPRP] Central Committee Political Bureau, chairman of the National Assembly, and chairman of the National Council of the Kampuchean United Front for National Construction and Defense, praised the Buddhist monks for contributing to the moral and material rehabilitation of the people. "This has made our Buddhist followers and people very happy and satisfied with the progress of the restoration of Buddhism, an undertaking that is completely different from what happened during the genocidal Pol Pot-Ieng Sary-Khieu Samphan regime when monasteries and places of worship were turned into slaughterhouses against the people."

"Chairman Chea Sim went on to stress that the Cambodian people, who are Buddhists, have always had the goodwill and love for peace and dislike of war. However, they do not have the wish to see the genocidal Pol Pot regime return to the fatherland for a second time."

He also pointed out the efforts made by the party and government in the search for peace by initiating new ideas to bring development and prosperity to the nation. He urged the meeting participants to successfully implement the policy on Buddhism advocated by the party and state. He asked them to strictly observe the Buddhist discipline and help preserve the national tradition.

"The Buddhist monks' congress expressed full support for the national reconciliation policy and goodwill stance of the State of Cambodia, which always wants to end the war as soon as possible to bring an end to the people's suffering."

Also last week, Hun Sen visited cadres and combatants of the Phnom Penh garrison. He was accompanied by Defense Minister General Tie Banh, Phnom Penh Party Committee Secretary Sim Ka, Deputy Defense Minister and Chief of the General Staff Pol Saroeun, SPK Editor in Chief Ek Sam-an, and Phnom Penh Mayor Hok Langdi.

"During a friendly conversation, Chairman of the Council of Ministers Hun Sen warmly praised the immense achievements made by the Phnom Penh garrison and said they deserve being the vanguard forces of the party and state, forces which are always resolute against the enemies but polite and humble toward the people. He also conveyed the greetings of General Secretary Heng Samrin, National Assembly Chairman Chea Sim, and the entire KPRP Central Committee to the cadres and combatants at all levels in the Phnom Penh military units who have overcome all obstacles and held aloft the banner of sacrifice in the cause of the party and people."

After noting the achievements made by the cadres and combatants of Phnom Penh, Hun Sen clearly explained to them the ambition and maneuvers of the Cambodian opposition factions that still nurture the dream of toppling our power militarily.

"The comrade chairman stressed that in the negotiating forums to find a political solution to the Cambodian problem, the Cambodian opposition factions bragged about their military successes and boasted that they receive military aid from a number of countries. This clearly shows their inclination to prolong the civil war, the war of devastation against our Cambodian national society and people. For our part, over the past few years, the party and government of the State of Cambodia have presented a realistic policy and stance of peace with concessions full of goodwill because of our desire to end the people's suffering from war and to bring about genuine peace for the livelihood of the people and for the development and prosperity of the national society."

Hun Sen also related the new developments at the negotiating table to find a political solution for the Cambodian problem, showing to his listeners that the ultimate trick of the other side is nothing but to bring the genocidal Pol Pot back to Cambodia. He also urged all in the Phnom Penh garrison to raise their sense of patriotism and dedication, strictly observe discipline, and improve their ability in all fields such as command and management of the forces.

"The comrade added that to deserve the fame of being the Armed Forces of the people, our cadres and combatants must set good examples. They must set paces, be the models, and dare to make sacrifices for the sake of the happiness of the people. They must especially strengthen the discipline according to the nine-point ethics of the Army and carry on the good tradition of the people's Armed Forces according to the slogans 'Resolute Against the Enemy but Gentle and Humble Toward the People' and 'Make the People Love You Wherever You Go and Miss You Whenever You Leave'."

He also urged the cadres and combatants to rely mostly on their own efforts in the cause of national defense. "The Khmer reactionaries of the opposition factions are continuing the war. This means they continue to use military forces against to topple our power militarily. Consequently, there is no choice for us other than to continue wielding arms in defense of the people, their cause, and their aspirations for peace, happiness, and social progress."

Concerning the military situation in the past week, the activities and maneuvers of the three enemy groups became more perfidious. "Besides using support weapons to lob shells into our positions, the enemies continued their adventurous attempts to infiltrate the interior of the country by bringing in and hiding forces, arms, and ammunition in the jungles and mountainous areas to carry on their protracted war. At the same time, they continued to sneak into villages and communes, to lay ambushes, plant mines, snipe at, and conduct other sabotages against our people traveling by train, and to loot our people's property and food in a most cruel and savage manner. However, all the perfidious activities and maneuvers senselessly conducted by the enemies in their insane illusion could not avoid sudden defeats."

Everywhere our Armed Forces raised their sense of mastery and vigilance, and counterattacked in time. "As a matter of fact, last week our people's Armed Forces courageously punished all the aggressive activities of the enemies, putting out of action 84 enemy soldiers. Of these, 16 were killed on the spot, 19 were wounded, 24 made prisoner, and 26 others forced to surrender."

Military Actions in Week Ending 21 Oct Reported

BK2610151890 Phnom Penh SPK in English 0450 GMT 25 Oct 90

[Text] Phnom Penh SPK October 25—In the week to Oct. 21, enemy troops fired hundreds of artillery and mortar shells a day on several border areas of the northwestern provinces of Battambang, Siem Reap-Oddar Meanchey and Banteay Meanchey.

Worse still, on Oct. 17, Polpotist troops attacked a passenger train at Prey Nop, Kampot Province, 150 km southwest of Phnom Penh, destroying several carriages and killing and wounding a number of civilians.

In their counter-attacks against the enemy, the government troops put out of action 109 enemy troops, including 28 killed, 32 wounded, 25 forced to surrender, and 24 others captured. They also seized a large quantity of ammunition.

VOK Criticizes Nguyen Co Thach's Remarks

BK3010100890 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 30 Oct 90

[Political commentary: "Answer to Mr. Thach"]

[Text] Our commentary today is an answer to Vietnamese Foreign Minister Nguyen Co Thach's 27 October remarks in Bangkok that all foreign parties should stop interfering in the internal affairs of the Cambodians. He stressed that if all foreign countries agreed to stop all intervention—political, military, diplomatic, or economic—then it would allow the Cambodian parties to arrive at an agreement.

We totally agree with Mr. Thach's latest thesis. Reacting to the argument, we wish, however, to ask Mr. Thach, in his capacity as the Vietnamese foreign minister, whether he knows which countries are currently interfering in Cambodian internal affairs? We expect Mr. Thach will answer that Vietnam has never intervened in the international affairs of the Cambodians. Is that true? To find the truth, we wish to make the following clarification:

The word interference in internal affairs means that a country uses its sovereignty to encroach upon another state's sovereignty under whatever pretext. As for the case of Cambodia, what country has infringed upon Cambodia's sovereignty? It is Vietnam itself that has violated Cambodian sovereignty. In fact, the phrase interference in the internal affairs of the Cambodians is the weakest statement, and it cannot begin to express Vietnam's present-day aggression against Cambodia.

Vietnam's sending troops to occupy Cambodia was an unlawful act violating the country's sovereignty. At that time, Vietnam claimed it came to help remove Pol Pot from power. We can accept that at least as a motive, but what purpose has installing a communist puppet regime served thus far since the invasion of Cambodia, which was condemned by the world for 10 years? What pretext can Vietnam use to defend this?

The Cambodian people and the world have known without a doubt that Vietnam has actually administered Cambodia's internal affairs via the communist Heng Samrin regime it created and totally controls. As such, if Mr. Thach wants to find out who is interfering in Cambodia's internal affairs, we wish to answer him that except for Vietnam, it is the whole international community itself. However, the international community has neither interfered in Cambodian internal affairs nor infringed upon Cambodia's sovereignty. The international community has only hammered out a common plan to break up Vietnam's policy of aggression in Cambodia. Over the past 10 years, apart from applying political, diplomatic, and economic pressure on Vietnam, the international community has also provided support to the Cambodian resistance which has conducted an armed struggle against Vietnam with the goal of dismantling the policy of aggression in Cambodia.

Is Mr. Thach courageous enough to acknowledge this reality? We have already known that he absolutely dares not confess the truth, and we have also accurately determined his intention in making such remarks. Mr. Thach desires nothing else but to spout propaganda to create the impression that Vietnam is really willing to settle the Cambodian problem. However, nobody knows the Vietnamese better than the Cambodians. Each word uttered by the Vietnamese always has a sharp edge to it. Therefore, when Mr. Thach convincingly reaffirmed that if all the foreign parties stop intervening in Cambodia's internal affairs, it was Mr. Thach himself who had arranged a plan barring the Hun Sen group from reaching an agreement at the meeting of the Supreme National Council, plunging the meeting into the failure it is to this day.

VONADK on Nguyen Co Thach's Trip to Japan

BK2510064590 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 24 Oct 90

[Station commentary: "The World Continues To Put Economic and Trade Pressure on the Hanoi Vietnamese Aggressors"]

[Text] Vietnamese Foreign Minister Nguyen Co Thach recently traveled to Tokyo to solicit Japanese aid. However, Japanese officials said Japan will resume aid to Vietnam only when the Cambodian problem is resolved. Earlier, the United States also decided to extend economic and trade sanctions against Vietnam for another year. As for East European countries and the Soviet Union, which has nurtured Vietnam in the war of aggression in Cambodia for the past 12 years, they have been cutting off one form of aid after another. Fuel and chemical fertilizers for production have been cut off. More than 100,000 Vietnamese workers in East European countries and the Soviet Union have been laid off and sent home.

This situation clearly shows that Vietnam is high and dry. It is completely at a loss about what to do. At the end of 1990, Vietnam will be in serious danger. This will affect the survival of the Hanoi Vietnamese regime. If Vietnam is in such a situation, what does it have to save the Hun Sen-Heng Samrin puppets? Nothing!

Faced with this situation, Vietnam cannot oppose the document of the UN Security Council and the Jakarta document. The Supreme National Council, with Samdech Norodom Sihanouk as chairman, will certainly join the UN administration in implementing the document of the UN Security Council permanent members, particularly in ensuring that all Vietnamese aggressor forces are withdrawn from Cambodia.

Lack of Aid Puts Vietnam's 'Back to the Wall'

BK2810064990 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 26 Oct 90

[Station commentary: "The World Continues To Put Economic and Trade Pressure on the Hanoi Vietnamese aggressors"]

[Text] Vietnamese Foreign Minister Nguyen Co Thach recently went to Tokyo begging for aid from Japan. However, Japanese officials pointed out that Japan will resume aid to Vietnam only after the Cambodian problem is settled.

Previously, the United States had decided to continue economic and trade sanctions against Vietnam for another year. As for the East European countries and the Soviet Union, which fed Vietnam in its war of aggression against Cambodia for 12 years, have—one after the other—cut off their aid by stopping supplies of gasoline and chemical fertilizers to Vietnam. Moreover, more than 100,000 Vietnamese laborers working in East Europe and the Soviet Union have been laid off and repatriated.

The aforesaid events are clear evidence that Vietnam has its back to the wall. It cannot find the way out. It is in a completely hapless situation. At the end of 1990, Vietnam plunged itself into a very serious situation and the Hanoi regime was faced with a life and death situation. As Vietnam is currently in deep water, how can it salvage the puppet Hun Sen-Heng Samrin clique? No. It never can.

Facing this situation, Vietnam can never defy the document forged by the UN Security Council [UNSC] and the Jakarta document. The Supreme National Council headed by Samdech Norodom Sihanouk will at all costs, in concert with the UN authority, implement the five UNSC permanent members' document to verify the complete withdrawal of Vietnamese troops from Cambodia.

Kompong Kdei District Seat 'Liberated' 29 Oct

BK3010021290 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 29 Oct 90

["Special report on the attack and liberation of Kompong Kdei district seat, Chikreng District, Siem Reap Province"]

[Text] At 0500 on 29 October, our national resistance forces attacked and totally liberated Kompong Kdei district seat in Chikreng District of Siem Reap Province. We killed 21 Vietnamese enemies and their puppets, wounded 49, and captured 72 others. Over 100 other enemy soldiers fled in disarray from the battlefield. We pursued them since 0600 and captured 36 others. The people in this district seat were very happy for having been freed from Vietnamese-puppet detention. They immediately went out to check their crops in the fields.

During the past more than two months, the Vietnamese enemies and their puppets have detained and banned the people from leaving their homes to earn a living. The Vietnamese enemies and their puppets would have killed anyone who had dared to move about.

As for the 180 Cambodian soldiers, militiamen, and administrators who were forced to serve the Vietnamese enemies and their puppets, they had joined in this offensive to liberate Kompong Kdei district seat. These patriotic soldiers, militiamen, and administrators have seen how the Vietnamese enemies and the Hun Sen-Heng Samrin puppets have continued to recruit and kill the people, and destroy the Supreme National Council, and how the puppets have sold out our nation to the Vietnamese. They have clearly seen the doomsday of the Vietnamese and the Hun Sen-Heng Samrin puppets.

Indonesia

Alatas Announces Embassy Staffers in Beijing

BK2910142990 Jakarta KOMPAS in Indonesian 19 Oct 90 pp 1,5

[Excerpt] Jakarta, KOMPAS—The government has appointed Abdurahman Gunadirja as the first Indonesian ambassador to the PRC following the normalization of diplomatic relations on 8 August. Diplomatic ties With China had been frozen for 23 years.

Foreign Minister Ali Alatas, who announced the appointment after meeting with President Suharto at the Merdeka Palace on Thursday [17 October], also said the Chinese Government had approved the new ambassador's appointment. President Suharto will soon officially announce the appointment along with new Indonesian ambassadors to Iran and Belgium, namely Bambang Sudarsono and Zhairsyah.

Gunadirja, born in Tangerang, West Java, on 26 April 1926, is now director of the School of Foreign Affairs. KOMPAS sources in Beijing and Hong Kong said Gunadirja would assume his post in Beijing before President Suharto's visit to Beijing beginning 14 November. The sources also said a temporary embassy office will begin its operations approximately on 20 October.

The Indonesian Embassy will be located at the Liang Ma Plaza, opposite the Great Wall Sheraton Hotel in the eastern part of Beijing. The embassy staff will consist of several Sinologists, including Gunadirja himself, who graduated with a bachelors degree from the Chinese Studies Program of the University of Indonesia's Faculty of Arts in 1955.

Other embassy staffers include Navy Colonel Sunaryo, also a graduate of the same Chinese Studies Program, and now director of the Foreign Affairs Department's Foreign Security Affairs Directorate, and M. Asruchin from the Foreign Affairs Department's Research and Development Division. Sunaryo will assume the post of deputy chief of mission in Beijing, while M. Asruchin will in charge of the information service. The political section will be headed by M. Yusuf, and the economic section by Warmas Hasansaputra. In accordance with an agreement between the two sides, the Indonesian Embassy in Beijing will have 20 home staff [two preceding words in English] and 15 local staff [two preceding words in English] members. [passage omitted]

Fretelin Commander Appeals to Hawke on Struggle

BK2910074090 Melbourne Overseas Service in English 0500 GMT 29 Oct 90

[Text] The guerrilla commander of the East Timor Fretelin Independence Movement, (Shananar Godmar), has written to the Australian prime minister, Mr. Hawke, to ask Australia to change its attitude towards its independence struggle. The Fretelin leader says Australia should influence Jakarta to accept a dialogue with the resistance.

From Canberra, Radio Australia's diplomatic correspondent, Stewart Heather, reports that the letter is being delivered to the prime minister in parliament house.

[Begin Heather recording] In his letter to Mr. Hawke, (Shananar) has appealed to Australia to act in accordance with principles it has adopted in other parts of the world, including Cambodia.

(Shananar) says the Australian foreign minister, Senator Evans, has constructed a rhetorical justification to cover up the illegality of the Timor Gap Treaty, under which Australia and Indonesia are jointly exploiting undersea resources. (Shananar) says he hopes the Australian Government will realize its behavior towards East Timor, if not in harmony with the barriers that it stands for. He said Australia should play an influential role in finding a solution in Timor, including encouraging Jakarta to talk with the East Timorese resistance. [end recording]

AFP Reports 'Major' Suppression in East Timor

BK2810091090 Hong Kong AFP in English 0812 GMT 28 Oct 90

[By Alain Boebion]

[Text] Dili, East Timor, Oct 28 (AFP)—Indonesian Armed Forces and police have launched a major operation to suppress Timorese students, who twice this month have openly demonstrated their opposition to Jakarta's rule, witnesses said. "Never before has the situation been so terrible or so tense," said a clerical source in Dili, the capital of this former Portugese colony which was invaded in 1975 by the Indonesian Army and annexed seven months later by Jakarta.

It is still unclear how many arrests were made over the last two weeks, following police and army intervention after serious incidents in two of the city's secondary schools. Sources close to the church said 45 people were arrested from October 15 to 26, while other sources put the figure at about 30, including adolescents, young peasants and local government workers.

The commander-in-chief of the Indonesian Armed Forces in Dili, General Warouw, told AGENCE FRANCE-PRESSE that 32 people were arrested and later interrogated. Gen. Warouw said 14 who were found to "have broken the law" remained in custody.

An Indonesian source close to the military did not rule out the possibility of further arrests in the coming weeks because "not all the ringleaders have been arrested." "The army is searching mainly for the organisers of the youth movements," the source said, adding that there were believed to be "16 different subversive groups."

The army has appealed to parents of high school and college students—who make up 60 per cent of Dili's population according to the governor—to come forward with their children and give the authorities "information about the subversive activities in schools," the same source said. So far 82 families have "voluntarily come forward," the source said.

The course of events and especially the manner in which the arrests have been made day and night have provoked indignation and outrage among the clergy and also in the governor of East Timor, Mario Viegas Carascalao. Mr. Carascalao has denounced "the climate of terror and the actions of the police, whose job is to protect the people not terrorise them."

The climate is most noticeable among the people of Dili, who shut themselves in their houses from dusk to dawn. After 9 P.M., one only has to walk through the Timorese quarters of the capital to see they are deserted save for police who patrol the streets armed with handguns or long truncheons.

According to young Timorese, priests and Mr. Carascalao, these curfew-like conditions are the result of search operations carried out by unidentified, masked groups on the homes of students targetted for having publicly expressed anti-Indonesian sentiments from October 8 to 15 in two secondary schools—the SMP [Junior Secondary School] 4 Fatumeta and the SMP San Paulus. The groups, who some witnesses say are the same as the death squads that literally cleaned the streets of Jakarta of criminals in the mid-1980s, are allowed to work with complete impunity, Mr. Carascalao said.

Those they pick up are handed over to the military or police, but only after they "have been violently interrogated," he said. At least one high school student is still in hospital as the result of serious injuries he received at the hands of police, together with a policeman who was badly beaten by students.

According to the governor and church sources, Joan Bosco, a civil servant who was badly beaten by an armed group on the night of October 17, was recovering slowly in hospital. Mr. Bosco's son had been among those previously arrested by police.

The same sources said two other families of civil servants had been the victims of night-time beatings in their homes at the hands of masked, armed individuals.

Many civil servants who live in the Comoro quarter near Dili airport no longer sleep at home for fear of further attacks by the groups, who some witnesses say are "linked" to the police and who the governor says "are a branch of a rightist, pro-Indonesian party."

Last year, President Suharto wrote in his autobiography that he had covered up the activities of the death squads in Jakarta, which he said were recruited exclusively from the Armed Forces.

Singapore's Defense Minister Makes Visit

BK2610134990 Singapore Domestic Service in English 1100 GMT 26 Oct 90

[Text] The first deputy prime minister and defense minister, Mr. Goh Chok Tong, is visiting Bandung in Indonesia from today until Sunday. The visit is at the invitation of the Indonesian minister for defense and security, General Benny Murdani.

During his stay, Mr. Goh will meet Gen. Murdani and the commander-in-chief of the Indonesian Armed Forces, Gen. Try Sutrisno. Mr. Goh will also take part in the annual golf games between the Armed Forces of both countries. Mr. Goh is accompanied by the chief of Defense Forces, Lieutenant General Winston Choo. [Words indistinct] part of the on-going interaction between defense officials of the two countries.

PNG Border Agreements Signed, Exchanged 29 Oct

BK2910111090 Jakarta ANTARA in English 1014 GMT 29 Oct 90

[Text] Yogyakarta (Central Java), Oct 29 (OANA-ANTARA)—Indonesia and Papua New Guinea [PNG] here Monday [29 October] signed and exchanged agreements on the ratification of basic accord concerning border regulations between the two countries. The signing and exchange of agreements were carried out by Home Minister Rudini and PNG Minister of Defence Benais Sabumei prior to the opening of the ninth session of RI [Republic of Indonesia]-PNG Joint Border Committee [JBC].

Foreign Minister Ali Alatas and his PNG counterpart signed the basic accord in Port Moresby on 11 April 1990. The basic accord reached in 1979 was renewed and improved in 1984 and 1989.

The second renewal of the accord showed that RI and PNG had improved and expanded the framework and commitment to assure order and development along the border of the two countries, a press release of the JBC said Monday.

Compared with the accord reached in 1984, the newer one stipulated more clearly border between the two countries, the press release said. The accord also described the conceptions of border area, the Joint Border Committee, liaison officers' meeting on both traditional and non-traditional border crossers, and matters concerning border between the two countries in case of the emergence of a natural disaster.

In addition, the basic accord stipulated the two nations' wish to set up a security [words indistinct]. (?The ninth session of the) Indonesia-Papua New Guinea Joint Border Committee participated by 42 Indonesian delegates and 35 PNG delegates began here Monday.

Minister of Internal Affairs Rudini leads the Indonesian delegates to the meeting while the PNG participants are led by PNG Minister of Defence Benais Sabumei.

Rudini told reporters that the meeting would not discuss any new, special issue but efforts to strengthen agreement which had been reached so far. The minister further confirmed that social, cultural, and trade matters would become topics of discussion of the session. However, it would all be the improvement of the agreements already reached by the two countries, he added.

Border cooperation set up by RI and the PNG is considered beneficial to both sides as it paves the way for understandings of the past and expectations of the future of both nations. The cooperation also enabled immediate solution to any problem including security issues along the border of the two countries. In short, no serious security problem between the two countries has currently emerged, Rudini said.

The ninth session of RI-PNG Joint Border Committee will last till October 31, 1990.

Coast Guard Detains Japanese Vessel for Poaching

BK2910110090 Jakarta ANTARA in English 0752 GMT 29 Oct 90

[Text] Jayapura (Irian Jaya), Oct 29 (ANTARA)—A fishing vessel flying the Japanese flag, MV Shiyo Maru No. 51, was seized by the Irian Jaya coastal guards Friday [26 October] for poaching in the Indonesian water territories.

Irian Jaya Police Chief Major L. Simanjuntak said here Monday that the foreign vessel was caught when fishing near Tanjung Oransabri, Manokwari, about 15 miles away. The ship with 10 crew members carried about 15 tons of tuna and was equipped with latest vivid equipment such as radar.

After a brief examination, the vessel was intercepted to the Manokwari Port for a further investigation. Police have actually received reports from the local people on illegal fishings by foreign boats in the waters since sometime, but coastal guards were lacking of patrol facitilies, Simanjuntak said.

Laos

Kaysone Phomvihan Speaks at Trade Conference

BK2710005390 Vientiane Domestic Service in Lao 0000 GMT 21 Oct 90

[Report on speech by Comrade Kaysone Phomvihan, general secretary of the party Central Committee and chairman of the Council of Ministers of the Lao People's Democratic Republic, delivered at the first nationwide conference on trade and tourism in Vientiane Capital on 18 October—portion recorded]

[Text] [Begin Kaysone Phomvihan recording] This nationwide conference on trade and tourism should concentrate on discussing several undertakings as follows:

I. We must assess our past trade and tourism work and draw necessary lessons from them, hold discussions to clarify our concept, principles, and orientations to expand these two areas, and organize the revision of the system and management of trade for the future. There are some problems I would like to mention to help you, comrades, fulfill the aims of this conference, where the major issues of discussion and study concern business and the management of trade and tourism. However, their details have already been explained by Comrade Khamphoui Keoboualapha, and I do not want to repeat them.

I have certain proposals for you to consider and discuss. They are as follows:

1. Our party considers trade as highly important. How was our past trade performance? Why were the results so limited? Why did it fail to boost the country's productivity? These questions must be answered.

2. We must assess the efficiency, value, and role of private sector trade, in particular the strength of small-scale trade in our country, to promote its advantages and limit its negative aspects. At the same time, we must appraise the efficiency of the state trade management system and discover the causes of our inability to eliminate effectively the negative aspects. This is the second point we should concentrate on.

3. The third point to ponder upon is the weakness of state trade performance. We must find out the reasons for the decline in the efficiency of state business enterprises. As for the fourth point, we must appraise the potential and future of our tourist industry and find out why it is expanding slowly. Very few tourists visit our country, and our foreign currency earnings from this industry are still minimal. I believe that only through accurate appraisal of these problems can we draw lessons and put ourselves on the right track to find the solutions.

II. The second major issue is the concept, principle, and orientations of trade and tourism expansion and the establishment of their management systems. Among the key tasks we must concentrate on immediately and in the future is the expansion of the production forces and gradual tranformation of the natural and semi-natural economy into a market economy to achieve prosperity for the people and strengthen the country. This is a big, long, and difficult but honorable task of our people in the new era of the revolution. To complete this task, we must be familairized with the concept and principles of economic expansion in general and trade in particular.

I would like to cite some major principles and concepts:

1. Our party has stipulated that trade is the fundamental link among production, circulation, exchange, and the consumption of commodities. This assumption adopted by our party conforms with the realities in our country and also with Leninist thoughts on trade. In appraising the importance of the role of the small-scale trade in the birth of capitalism in Russia and considering post-revolution realities in Russia, Lenin reaffirmed the significant role of trade. Lenin saw a situation where coal producers were unable to sell their abundant output while coal shortages occured elsewhere. He tried to solve this problem and realized the role of trade linking commodity producers to consumers, exercised through the state, collectives, or the private sector. Although Lenin was concerned about the purity of communism, he could not remain idle.

I would like to add that the fuction of trade deals with the circulation of goods. It is the link between producers and consumers, various production sectors, agriculture and industry, localities throughout the country, rural areas and towns, and inside and outside the country. Trade is the basic link in the chain. It is the process of exchange and supply which can ensure the smooth, comprehensive, and timely movements of the national economy. Trade is the process of establishing the value of commodities, balancing demand and supply, and bringing commodities from producers to consumers.

Simultaneously, trade is a marketing leverage and indicator. It stimulates production expansion to meet the demand in society, allows certain products to be introduced into the market, creates demand for new products, and hence triggers further production increase. Through small-scale and private sector trade, markets have to be set up in localities and provinces before a national unified market can gradually exist. This task requires the people's creativity and is a long-term process. It is now clear that without trade that markets cannot be established or expanded. The existence of markets symbolizes prosperity and advancement, the balance of demand and supply, and stabilization of currency value. Therefore, our party's belief in the significant role of trade is totally correct. Our country's trade organizations and businessmen must retain the truly signifinant role of trade. Under the old mechanism, we regarded trade by the state as the foundation. Thus, we limited and even wanted to eliminate other non-socialist sectors. In so doing, we placed our production relations far ahead of our production forces and expansion in defiance of the basic law of dialectic materialism and realities of our country's natural and semi-natural economy.

Under these circumstances, we have set up numerous trade and business enterprises with the intention of expeditiously building a large-scale trade foundation not corresponding to the unorganized and weak foundations of our country's agricultural and industrial productivity. The scenario led to the imbalance of agricultural and industrial production and trade. I want to point out that it is very important for us to firmly understand the following rule in handling economic affairs.

First of all, production relations must correspond to production forces. This is the most important rule which must be applied to all cases, big or small. They must truly correspond so production can expand. All of you comrades have studied dialectic materialism. We have learned that production forces are directly related to production relations to create conditions conducive to the gradual expansion of production forces. The problem is that we must consider realities. The problems cannot be solved simply by issuing state orders. There have been many orders and resolutions. Production forces remains idle, however, because production relations and production forces do not correspond. There are three major factors governing production relations. The first is the right to ownership. The second is management. The third is the execution of various policies concerned.

2. Let us discuss the new concept at this point. According to the new concept, the economy belongs to the people. This is the most important point and a new attitude. This new line of thinking is also described in the ninth resolution as the multisector economy and the multiforms of ownership. Under the resolution, we are determined to turn production relations to conform with the

characteristics and level of the production forces expansion. We are also turning the magnitude and level of trade to correspond to that of the national economy and agricultural and industrial production in each period of the expansion.

In handling the economy in general and trade in particular, characterized by multiform ownership, in the years to come and in the longer term, we must expand private trade including small-scale trade. Small-scale trade is extensive and an extremely maneuverable network that is able to penetrate into any remote area to supply technical materials and consumer goods to farmers and buy agricultural products and other goods produced by farmers. The private sectors must be encouraged to make full use of their property, expertise, and capabilities in expanding business and trade investment. By so doing, we will be able to make an important contribution to increasing production, developing a commodity-oriented economy, expanding private trade strength in the local markets, and leading to new commercial areas and towns throughout the country, especially along communication routes.

Meanwhile, communication routes will be extended to link towns and rural areas throughout the country as trade networks are developed in all localities. Eventually, we will be able to create a national unified market. Another point I would like to bring to your attention is that there is no bureaucracy in trade. Trade is not confined to any village, canton, district, or province. This is how trade is organized. Dealers will decide where trade should be expanded or production established. Trade means doing business, not government work. To keep trade flourishing, provinces cannot give orders to districts or district to cantons. This practice must end. This is an important issue.

In any event, we still have to tackle the personnel problem. Our cadres have to be trained and reorganized. By doing this, I believe we will able to bring about the change by the end of 1991. Meanwhile, our financial, banking, and trade undertakings must keep moving ahead. The training and education of our cadres must continue in the same direction. We must also improve our [word indistinct] and tax system. [end recording]

Comrade General Secretary and Chairman of the Council of Ministers Kaysone Phomvihan went on to say: In the process of privatization, there are capable businessmen who will become intermediate-level and major traders. At the same time, groups of traders will jointly invest their capital in numerous trading associations, cooperatives, and business ventures. This development will help establish the national market. It will promptly answer the needs of production and the people's livelihood and promote production in all areas throughout the country. This is our country's path for building and developing the economy in general, and trade in particular, progressing from a natural economy to a market economy. In this process, private sector trade will play an active role—a role we should use for national interest. This development conforms to the development of history. It will take time; we cannot be hasty, reckless, and impulsive. Experience has shown that hastiness, recklessness, and impulsiveness only serve to prolong development as it forces repetition. This is a waste of energy, time, money, and property and only reduces the people's faith [in the state].

3. In discussing the state's role in managing trading, it does not mean that we will simply sit idly by and allow the various market forces to develop freely. The state's role in this area is extremely important, though it is indirect. We must define the direction of the development through the leverage system and step up management and control measures with financial and monetary apparatuses. Some of these apparatuses are the taxation policy, investment policy, monetary credit policy, and policy on foreign currency reserves and strategic goods. Also included are the various laws, such as the trade, taxation, collateral, accountancy, and ownership and inheritance laws. These policies and laws must promote production and circulation to make them more effective and efficient in fulfilling the fine social objectives of the party and state and for the well-being of the people.

To ensure appropriate and correct management, we must urgently upgrade management tools and renovate the organization of apparatuses and cadres in the various services directly involved with sectors as trading, foreign economic relations, taxation, police, and the courts. The ranks of cadres must be purified and trained with technical subjects according to the spirits of the new mechanism. Strict disciplinary action must be taken against those who violate laws while commendations must promptly be given to those who perform well in trade management. Only by correctly and effectively executing the state's management role and direction according to set principles will we be able to quicken development and rapidly transform the natural economy into a market economy. In parallel with the management role, the state should directly control strategic goods such as fuel oil and those that will be identified later. The state or partnership companies assume the wholesale duty and will assign various business units or private individuals to act as retail agents for selling goods to producers and consumers. The trading system must be created from the center down to the local, district, and village levels, aimed at serving the party's and state's socioeconomic objectives.

While effectively managing trading within the country, we should step up efforts to exploit favorable conditions to pursue an open economic policy toward foreign countries to acquire the necessary materials and goods. This is aimed at meeting production requirements and the people's needs. We must look for foreign markets to broaden our exports. We must exploit our potential in producing goods for export. This is the most decisive factor because export motivates the country's widespread development of production, circulation, and distribution. At the same time, we must adopt a policy of restricting the imports of goods the country can produce. As for producers, they must try to reduce the prices of finished goods and raise the quality of their products to increase their competitiveness against the same types of foreign goods. We must combine the internal strength of the country with that of foreign countries to define the direction of the production development of our country.

4. After the goods economy has developed, the role of the market as the direct organizer, coordinator, and manipulator of all business production activities must be recognized. We must recognize market forces such as value, demand, competition, and circulation and the rotation of capital. Business units that can adjust to these forces and are capable of applying new management techniques to achieve economies of scale and at the same meet the consumer taste and needs will stay ahead of the competition, survive, and develop. Businesses that fail to do this will become bankrupt. This is the process of self-readjustment and self-development regarding volume, timing, structure, and efficiency. It is also a two-pronged process in which various businesses, individuals, capable businessmen, and traders can become wealthy and contribute to building wealth for the country.

In the overall bureaucratic and state-financing mechanism, the state exerted control through expectations, instructions, rules, pricing regulations, rates of exchange, credits, interest rates, and various instructions on establishing or abolishing business production units by depending on the subjective requirements of the higher levels without paying heed to market requirements and by imposing planned requirements on society. Under the old mechanism, the state trade played the role of being the main clearinghouse for distributing and supplying goods, refusing (?to act as the market), and refraining from conducting business transactions, thereby creating obstacles to production and the people's living conditions.

The state trade plunged into a situation in which it generated false profits but suffered actual losses. That is, profits were in actuality derived from the practice of the state's fixing the exchange rate at a very low number—a rate completely different from the market rate. The state trade resorted to distorting the actual prices of goods and the exchange rate to give part of the falsified earnings to the budgets. Because the rate of exchange was too low, the actual revenue earned for the budgets was also unrealistically low when compared to the actual value of revenue given to the state by the state trade. The situation of distorted profits and actual losses occurred everywhere in which the bureaucratic and state-financing mechanism was retained, including in the state trade sector of our country.

Under the new mechanism in which the market mechanism must be regulated, the state regulates the market by means of regulating [public] needs which must be met through the various finance and monetary tools, foreign currency reserves, the (?availibility) of goods, and the system of legal tools with a view to encouraging the production process and circulation to become more effective and efficient.

To effectively implement the state's managerial role in the process of reorganizing the economic, trade, and tourism system, we must implement the following principles:

a. All business production units must begin operations on the basis of reality, first of all from the requirements of the market, the managerial level, and the conditions of the infrastructure so they can take the initiative in selecting the forms of organization and sizes of businesses, for example: private forms, units, groups, cooperatives, and other partnership companies. The selection of these forms of organizations must be done on the basis of their own willingness. The state management organizations must not impose their subjective preference on those business production units.

b. Monopolistic practices must be eliminated from trading and tourism businesses. Prices of various kinds of goods must not be suppressed. For example, we pay wholesale prices for goods when they are purchased, but when we sell those goods, we only consider profits without taking into account consumer interests. As for the business agents selling various kinds of strategic goods, the state trading companies must fix price ceilings and strictly control the activities of all agents. At the same time, attention must be paid to ensuring reasonable profits for these agents so they will remain confident in carrying out business activities.

c. Trading businesses have the right to operate throughout the country. They must not be barred from administrative areas. Goods can be circulated from one area to another in accordance with the relationship between supply and demand. Goods circulation must be freely and legitimately carried out. No division of work for administrative purposes is permitted. Trading businesses will not be allowed to be divided into the central, provincial, and district levels.

5. The nature of comprehensiveness and unification among the economic policies and the nature of coordination among the various services and levels in the state management of trade must be ensured. We have already studied and implemented a number of laws and resolutions adopted by the Council of Ministers. Nonetheless, we still lack many laws. We still do not have a law on partnership companies to regulate the relations among shareholders, a law outlining quality standards for goods, a law on measurements, a law on the insurance of property to regulate interests when business operators run into trouble, a law on the protection of resources and environment, or a law on bankruptcy. In the immediate future, we must continue studying and speeding up the promulgation of these laws.

At the same time, we must ensure the nature of unification in the legal system and ensure the various laws do not contradict the party's policies and lines or one another. The state regulates the market by (?passing through) the leverage system, especially the finance and monetary policy. To ensure the effectiveness of this system, it calls for close coordination among the services at various levels in the state management of trade, ranging from the finance and banking organizations to the legal management organization and other direct management services, such as trade, foreign economic relations, agriculture, industry, and other sectors. In emergency cases, the state may directly intervene in the market primarily by applying certain economic measures, that is to release goods and foreign currencies from state possessions when prices rise unexpectedly and to purchase goods when prices are low. The state must implement a price-guarantee policy toward certain kinds of essential goods to ensure stability for the market, boost production, and promptly halt confusion in the market and the economy that may occur in our society.

III. Main plan, policy, and measures to promote and organize effectively the trade and tourism business system in the subsequent years:

Continue to implement extensively the policy of free and legitimate circulation throughout the country; build a unified market; adjust supplies to serve the requirements in various areas; strive to promote the production of goods for export on the basis of efficient exploitation and utilization of the potentialities of land and other natural resources; carry out joint ventures with foreign countries to create sources of revenues; develop technology; seek markets for selling products; make more investments in technology and management in various areas; make investments on exported goods production and processing projects to produce goods that serve as spearheads capable of seizing local and regional as well as international markets; gradually work toward change in the structure of imported goods; reduce exports of raw materials and march forward to ending them; increase the volume of ready-made goods and high-quality products for export; strive step by step toward balanced trade; broaden integrated tourism; step up establishing material, technical, and cultural foundations in various tourist places; establish the tourism infrastructure; raise the level of service to attract foreign tourists; efficiently coordinate the tourism business with the maintenance of national public security; basically change the trade and tourism business system to conform with the direction of state trade or joint ventures that are mainly covered by state capital; concentrate on running businesses in which certain types of goods of truly strategic significance are produced; carry out wholesaling and buying throughout the country or within a region while encouraging cooperatives and private sectors to serve as agents for selling in retail and extensively purchase goods from people at their villages; promote trading and service roles of private sectors and help them expand their activities in all areas to buy forestry and agricultural products; sell farm tools and consumer goods in retail in rural areas; and pursue the state's taxation policy to promote trading activities in remote and mountainous areas.

Based on the requirements for the expansion of the production force, it is apparent that various business groups have jointly made investments and done business. It is also apparent that cooperatives have been set up with shareholders and under conditions in which profits are divided in accordance with the numbers of shares held and with shareholders being from the ranks of both laborers and managers, all in accordance with the democratic principle. The state should promote this form of business. It should absolutely not resort to using any compulsory measure in dealing with this issue. Instead, the state must strictly respect the principle of awareness and willingness.

There are differences between the new and the old types of cooperatives. One difference is that in the cooperatives of the new type, the capital invested by the cooperatives continues to be owned by the private sector, and cooperative members receive a percentage of the profits in accordance with the number of their shares. In the next step of development, more private joint ventures and other kinds of joint ventures where shares are sold to people not in the company will emerge. This is an inevitable step forward that conforms to the development of production. It is a step that originates from a subjective requirement.

Trade will develop step by step and gradually become a complex element. It will arise from private trade sectors and small trade forces that serve as a broad basis. It will also expand into cooperative units and groups of state and state-private joint ventures that will maintain networks and representative agents throughout. This is the path of gradual trade development in the process of turning the natural economy into a market economy and turning small-scale production into large-scale production of goods in our country.

To translate into reality these tasks and direction, it is imperative to do the following:

1. Improve and change the state trading system by having the Trade and Tourism Ministry be the focal point in coordinating with the Economy, Planning, and Finance Ministry and with the state bank in clearly outlining which sector should be completely preserved as state property and which sector should have the state contribute at least enough for 51 percent of the shares so the Council of Ministers can promptly make a decision. As for other state companies, they will then be categorized as follows: to be under the form of partnership, to be privatized, or to be dissolved. It is also imperative to reorganize various export-import companies to serve actual requirements.

2. Step up macro-management of trade and tourism; explicitly implement the division of management levels among various ministries and between the center and localities toward the organization of the trade and tourism business.

3. Positively build the contingent of cadres for state management and management of the trading business.

This is considered a decisive factor for a change in our country's trading system in accordance with the above-mentioned direction.

4. Concentrate on entirely paying off remaining debts as these debts have created obstacles to business activities as well as to the process of switching to ownership of other forms.

Beloved comrades, what I have said reveals certain major problems concerning the theoretical line of thinking, views, principles, and a number of basic measures to manage the trading and tourism business for you, comrades, to discuss. I wish the conference glorious success.

UNDP Resident Official Interviewed on UN Day

BK2610145990 Vientiane KPL in English 0905 GMT 25 Oct 90

[Text] Vientiane, Oct 25 (KPL)—The Lao National Radio interviewed here yesterday Miss Carroll Long, UNDP [United Nations Development Program] resident representative in the Lao PDR [People's Democratic Republic] on the occasion of U.N. Day and the 40th anniversary of UNDP.

Question: What is UNDP and how has your organisation contributed to the development of the PDR over the past 15 years?

Answer: UNDP is currently the largest source of grant technical cooperation in the UN system. Here in Laos, UNDP, with its own funds and those it administers, has been supporting a wide range of different activities carried out by the government so as to enhance the country's capacities to plan, carry out, and manage its own development.

Since 1975, UNDP has spent approximately US dollar 85 million of its own regular resources on projects in the Lao PDR. About US dollars 15 million has also been spent from other funds under the authority of UNDP, namely US dollars 10 million from the UN Capital Development Fund and US dollars 5 million from the special measures fund for least-developed countries. In addition approximately US dollars [passage indistinct]. Today the agriculture sector receives approximately 23 percent of UNDP's resources, industry and hydroelectric power 24 percent, transport and communications 16 percent, and the social sectors (including health and education) 24 percent. In the future, more UNDP funds will be provided to support the government's economic reforms. This year UNDP will disburse approximately, 11 million [as received] on its own projects in these sectors in Laos. [Passage indistinct] An example of this responsiveness to new ideas and new thinking is the current move in Laos away from a centralized economy towards greater flexibility and decentralization. Laos is unusual among some other economies in that it recognized the benefits of these changes relatively early, and is pursuing them in a comprehensive, coherent and consistent manner. [Passage indistinct] giving major emphasis in its current activities to providing some of the advice and training needed to carry them out effectively.

Our work here inevitably runs into some difficulties, but I would not say that these difficulties are necessarily more severe than those being faced in other countries. Some problems stem from the Lao PDR's status as a developing country, and UNDP, along with many other donors, is helping the government to resolve them. I might mention three of the main types of difficulties, along with examples of UNDP's efforts in these areas:

1. The relative absence of roads and other means of transport makes it difficult for UNDP and other donors to have access to remote provinces and districts in order to understand their development needs and problems. We have nonetheless for some time been helping with integrated rural development projects in such areas as Sekong Province and Meuang Hom District in the north of Vientiane Province. Transport and communication has been an important area of UNDP assistance and UNDP has been active in supporting several road construction projects as well as the development of the country's civil aviation and telecommunications facilites.

2. The scarcity of Lao people with a deep knowledge of some foreign languages makes it difficult for a wide range of otherwise eligible Lao personnel to benefit from the advice and training being offered through some UNDP projects. UNDP has supported several language training activities in various foreign languages, and is continuing to do so. We are currently involved in language training projects associated with five different ministries.

3. It is sometimes difficult for Laos to identify and coordinate its assistance from outside donors, including UNDP. UNDP is supporting the government in several ways in this area, such as assistance in holding periodic "roundtable" meetings of aid donors in Geneva and in Vientiane to discuss the country's development progress and obtain additional support for its efforts, as well as more regular informal meetings in Vientiane to improve coordination among local donors. Several of our projects have prepared, or are preparing, master plans that serve as focal points for coordination, for example in transport, civil aviation, telecommunications, urban development, and forestry. UNDP is also helping to improve the country's planning capabilities in connection with the preparation of the next five-year plan, and to initiate a management training program for managers in public and private sector enterprises.

We are very grateful for the cooperation we have received so far from the Lao officials with whom we work and we look forward to a continuing and growing partnership.

Philippines

Aquino Hints at Cabinet Member Changes

HK3010114190 Hong Kong AFP in English 1047 GMT 30 Oct 90

[Text] Manila, Oct 30 (AFP)—President Corazon Aquino, facing the worst economic crisis of her administration, said Tuesday she may soon replace some cabinet members and vowed to carry out crucial financial reforms before her term ends.

Reiterating that she would not seek reelection in 1992, Mrs. Aquino told foreign correspondents that she would campaign actively for the administration candidate in the next polls, but refused to name names.

"As the situation demands and where I feel it would be to the interest of the government and of the country, then there would be some changes made, but I would not refer to it as a revamp," she said.

Asked if the shakeup could take place before the end of the year, she said: "As the situation calls for it, it could be next week." She gave no hint on whose heads would roll.

Mrs. Aquino lamented the effects of the Gulf crisis on countries like the Philippines, whose oil import bill is expected to reach 1.8 billion dollars this year, a 40 per cent increase, while dollar reserves have dwindled.

Higher domestic oil prices and resulting inflation have in turn triggered social unrest, including a violent general strike last week for higher wages. "We really are in a very difficult situation," Mrs. Aquino admitted.

The president, who has survived seven military uprisings since she replaced martial law ruler Ferdinand Marcos in 1986, warned against the "siren song" advocating a return to authoritarian rule to cope with current problems.

She also ruled out an amnesty for leaders of coup attempts, but kept the door open for the "less guilty".

The economy grew by an average of six per cent from 1987 to 1989 but has been severely dislocated by uncontrolled deficits and the Gulf crisis, although Mrs. Aquino was confident that a positive growth rate would be achieved this year.

The government launched early this year a "new economic program" calling for tariff reduction, increased revenues, oil deregulation and new taxes. But the scheme has been derailed by opposition from Congress and the business community and the effects of a killer earthquake in July.

Asked whether she could still carry out long-sought financial reforms or would just look after her government's survival till 1992, Mrs. Aquino said she was "determined to address the problems now."

On calls to devalue the peso, which has shed 15 per cent of its value since the beginning of the year, Mrs. Aquino said the matter "will be studied." The local currency now officially trades at 25.75 to the U.S. dollar, but the rate is two points higher on the blackmarket even as the trade deficit mounts and international reserves are down to two months' worth of imports.

Mrs. Aquino said that to boost reserves, Manila was cutting down on nonessential imports, reducing the government's domestic debt and seeking new ways of reducing the 26 billion dollar foreign debt she largely inherited from her deposed predecessor Ferdinand Marcos.

She said her government was "doing everything possible" to put the economy back on track but cited problems arising from the bloody December 1989 coup attempt that almost toppled her and last July's earthquake that devastated parts of the country's main island Luzon.

On persistent speculation that she was going to seek a new six-year term in the May 1992 presidential elections, she flatly said: "No, I'm not. I have never declared that I will run," she said.

Ramos Vows To Preserve, Defend Constitution

HK3010031190 Manila THE MANILA CHRONICLE in English 30 Oct 90 pp 1, 8

[By staff member Joey Caburnida]

[Text] Defense Secretary Fidel Ramos yesterday vowed to preserve and defend the constitutional government of President Aquino until her term expires on June 1992. "We in the defense department and the armed forces are committed to her that we shall help and do our utmost in seeing to it that she would serve until the last day of June 1992," Ramos said.

"While many have foretold the downfall of this government and its replacement by a military dictatorship or a communist one," Ramos said, "the fact is that President Aquino has survived predictions as surely as she has survived all rebellions and coup attempts."

Ramos' statement defending the Aquino administration is considered to be the first since he was linked to some of the aborted coups, particularly the November 1986 "God Save the Queen" aborted coup. Ramos denied such link.

Speaking at the eighth founding anniversary of the Last Watering Hole, Inc., an organization of retired military officers, Ramos said that despite the dangers that threaten the country, "I don't think there is any (other) coup attempt or typhoon or earthquake that could delay or deter this constitutional process from taking place."

He said he believed that the country "will not fall" just because of political agitation and attempts at mutiny and rebellion.

"We have reasons to be encouraged with the common perception that the gravity of the situation now has also led to some encouraging signs of our growing unity as well as the revival of civility in our political life," he said citing the recent convening of the National Security Council, where the opposition sat in a dialogue with Mrs. Aquino, as an example of an encouraging sign.

"What is important is that they (the opposition) have revived a channel for discussion, contact, for dialogue, and hopefully for decision-making. And looking down the road, therefore, we can all say that there is now a pronounced majority consensus in favor of our constitutional system and of democratic elections in 1992," he said.

Aquino Launches Luzon Industrial Project

HK3010090990 Manila PHILIPPINES NEWSDAY in English 20 Oct 90 pp 1, 2

[By Bienvenido M. Perez, NEWSDAY reporter]

[Text] President Aquino yesterday said the government's ambitious CALABARZON [Cavite, Laguna, Batangas, Rizal and Quezon] project is expected to attract at least 41 billion annually in fresh foreign investments for export processing industries and create about 100,000 new jobs yearly in Southern Luzon.

But Southern Tagalog groups calling themselves Solidarity for People's Power assailed the project as an anti-poor and pro-foreign business development program.

Speaking before yesterday's formal inauguration in Batangas City of the project, which aims to establish the provinces of Cavite, Laguna, Batangas, Rizal, and Quezon into an efficient, balanced agro-industrial epicenter, Mrs Aquino said that the rural economies in the CALABARZON project area are also expected to serve as the backbone of development for other regions to emulate, thus decongesting and reversing the urban magnet pull of Metro Manila.

United States ambassador to the Philippines Nicholas Platt, South Korean ambassador Jung-Kiro, and outgoing ambassador of Japan Tsuneo Tanaka all noted that CALABARZON will be the growth region that will accelerate economic development in the local levels.

These envoys' respective governments have already provided substantial financing for the project's 29 major components that are to be undertaken from 1991-2000.

The government has designated this project as one of five key state-led programs that will be funded under the Philippine Assistance Program (PAP), otherwise known as the Multilateral Assistance Initiative (MAI).

To date, Trade and Industry Secretary Jose S. Concepcion Jr. said that the five core provinces of CALABARZON have a total of 504 Board of Investment (BOI)-registered projects, worth P [pesos] 46 billion. This amount, he said, represents 29 percent of total projects generated for the entire country.

In 1986, these five provinces started with a measly 18 projects worth just P429 million. This grew to 56 projects, worth P2.7 billion in 1987; 105 projects, totaling P4.3 billion in 1988; and 195 projects, totaling P23.7 billion in 1989.

Concepcion said CALABARZON, for the first nine months of 1990, has already generated P15.520 billion comprising 137 new projects and expansion programs registered with the BOI.

Although he is elated over this development, Batangas Representative Hernando B. Perez, however, stressed that the government should swiftly act on upgrading his home province's severely-dilapidated roads, poor telecommunications, and inadequate power supply, among other major development support problems.

Batangas is a vital cog in the CALABARZON clutch of provinces since it is the site of the planned alternative Batangas world-class container port.

In the implementation pipeline is an initial expansion package which will cost $861 million to set up from 1991-1995 and which covers the following components: port development, roads and highways, industrial supports, urban development, agriculture, rural development, and environmental management.

These include: Phase I of the Batangas port upgrading plan; primary and secondary road rehabilitation; the Carmona-Ternate-Nasugbu road; the Calamba-Sto. Tomas-Batangas expressway; Cavite's Dasmarinas-Silang telecommunications system improvement; Cavite Export Processing Zone Expansion; construction of the 300-megawatt Calaca II coal thermal plant; Cavite power transmission and distribution improvement; rehabilitation of the Philippine National Railways south commuter line; upgrading of the Batangas regional hospital; research and extension program on intercropping and mixed farming; construction of the Rizal inland agro-industrial park; establishment of rural energy development program; rural roads maintenance system; and Laguna basin environmental monitoring.

Up for study under Phase I are: Phrase II of the Batangas port development; the Greater Capital Region integrated port development plan; Cavite coastal road; Cavite north-south highway; the Marikina-Infanta road; urban center telecommunications improvement; CALABAR [Cavite, Laguna, Batangas, Rizal] groundwater potential study; Laguna west urban regional development; Lipa-Batangas corridor development; Taal Lake multipurpose water resources development; Batangas east agricultural development; and the Marikina watershed development management.

Originally, this government-led project only encompassed the four provinces of Batangas, Laguna, Cavite, and Rizal. Quezon province was added recently along with a slew of agriculture and socio-economic programs.

The sheer magnitude of the project now calls for roughly $150 million in financing from the PAP while the balance of total project cost will have to be covered by government and a number of overseas grants and loans.

The Department of Trade and Industry (DTI) said the project, in the near-term, will serve as home to $2.7 billion in investments from over 130 enterprises. As a result, the DTI expects the project's employment figures for Region IV to reach about 340,000 new hirings.

CALABARZON's land area covers about 16,229 square kilometers corresponding to 5.4 percent of the total national land area while its estimated total population this year is 8.261 million, accounting for 13.7 percent of the country's total population.

The provinces comprising CALABARZON are, to date, a sprawling receiving area for spillover population from Metro Manila. As a result, CALABARZON's population has been growing at higher rates than most other regions; estimated at 4.3 percent annually in 1980-1987 compared with Metro Manila's 3.1 percent and the whole Philippines' 2.6 percent during the same period.

Increased Total Investments in Projects Reported

HK3010093190 Manila PHILIPPINES NEWSDAY in English 23 Oct 90 p 8

[Text] Total investments in Board of Investments-registered projects grew to P [pesos] 62.74 billion in the first three quarters of 1990, exceeding the P59.9 billion registered in January-September 1989, Trade and Industry Secretary Jose B. Concepcion Jr., said yesterday.

The projects approved this year will generate 90,845 direct and 152,620 indirect jobs or a total of 243,465 new jobs, Concepcion said. He expressed renewed confidence that the Department of Trade and Industry's investment target of P80 billion this year wil be met. Results of the first three quarters, he said, were already 78 percent of target.

More than 66 percent or P34.509 billion of the new and expansion projects totalling P57.462 billion will be located in the regions. Only 33.8 percent or P17.640 will be invested in Metro Manila. The remaining P5.313 billion is still looking for plant sites.

The six sectors that accounted for 93 percent of investments this year are manufacturing which received P30.858 billion for 754 projects; mining, P10.275 billion for 20 projects; tourism-oriented, P7.508 billion for 36 projects; construction projects infrastructure and industrial service facility, P6.149 billion for 10 projects; and public utilities, P7.504 billion for 49 projects and services, P1.225 billion for 320 projects.

In manufacturing, among the biggest contributors to investments were the textile and textile products subsector which contributed P7.599 billion; electrical and electronic products, P4.763 billion; commercial vehicle development program, P3.78 billion; construction and housing components, P1.965 billion; basic industrial chemcials, P1.798 billion; non-metallic mineral products, P1.716 billion; plastic products, P1.583 billion; processed food, P1.498 billion; and basic metal products, P1.397 billion.

Concepcion said Region I—Benguet, Ilocos Norte, La Union and Pangasinan—is the preferred site for eight investment projects amounting to P8.38 billion. About half of the investments of P15.52 billion for 137 projects will be located in Region IV (Southern Tagalog).

About P3.406 billion will be invested in 47 projects in Region VII (Cebu, Bohol, Negros Oriental); P3.027 billion in 73 projects in Region III (Bataan, Bulacan, Pampanga, Tarlac, Zambales); and P2.95 billion in six projects in Region X (Misamis Oriental, Surigao del Norte).

Equity investments increased to P34.003 billion from P32.415 billion. Filipino entrepreneurs accounted for 51 percent or P17.350 billion of total equity investments.

The major foreign investors this year were the Japanese with P6.46 billion or 39 percent; Taiwanese, P3.31 billion or 20 percent; Canadians P1.07 billion or 6.43 percent; Hong Kong Chinese, P1.03 billion or 6.19 percent; and the Americans, P1.01 billion or 6.07 percent.

Country Said Facing Three-Year Economic Crisis

HK3010092390 Manila PHILIPPINES NEWSDAY in English 20 Oct 90 p 3

[By Mariquit Almario, NEWSDAY reporter]

[Text] The National Economic and Development Authority (NEDA) yesterday said the country faces a three-year economic crisis, because of the political instability of the Aquino administration, the July earthquake, and the Middle East conflict.

In a position paper acquired by NEWSDAY, NEDA also proposed a series of economic stabilization measures aimed at putting the country back on its feet after the projected crisis.

On top of NEDA's proposed measures are the imposition of a new tax package to reduce the huge budget deficit and the maintenance of peace and order and political stability for economic recovery and stability.

"Any prospects for recovery in the second semester will be greatly constrained by the July 16 earthquake that has caused damage to life and property; the Middle East crisis, which threatens to curtail worldwide growth even further; and the persistent coup rumors and perceptions of political instability. As these are likely to undermine growth prospects in the next three years, more decisive measures are called for to address these obstacles and ensure sustained recovery and economic growth," NEDA stated.

However, of the measures proposed by NEDA, the new tax package which includes imposition of affluent consumption tax on certain luxury items and imposition of a 10 percent tax on softdrinks and other carbonated drinks, has been strongly opposed by Congress.

With the new tax measures, NEDA proposed a complementary bill improving tax collection by the government through creation of special tax courts, providing incentives to "frontliners" of the Bureau of Internal Revenue and the Bureau of Customs.

As part of its "prudent fiscal planning," the government, NEDA proposed, should prioritize only budget disbursements to outlays for essential maintenance operations and infrastructure investments, specifically for areas devastated by the earthquake.

The agency also said innovative debt reduction schemes and economic diplomacy must be pursued by the government since the country's foreign debt remains to be a "major deterrent" to economic growth.

Under NEDA's medium-term development plan, the policy emphasis for 1990 to 1992 will be:

—Economic stabilization through a consistent macroeconomic policy environment;
—Countryside agro-industrial development, which includes "full support" to the Comprehensive Agrarian Reform Program (CARP), environmental protection, decentralization of industries;
—Market liberalization or economic deregulation, which includes adoption of market competitive exchange rate with limited government intervention, streamlining of tariff lines, acceleration of the privatization program, promotion of export-oriented ventures;
—Institutional developments and administrative reforms, which include maintenance of industrial peace, closer relation between civilian and military in addressing peace, improvement in efficiency of government-owned and -controlled corporations; and
—Decentralization, which includes strengthening administrative capabilities of local government units [LGU's] for better delivery of basic services, promotion of the "Kabisig [Partnership] concept" calling for cooperation between LGUs and non-governmental organizations (NGOs).

Request for Additional Legislative Powers Viewed

HK3010091390 Manila PHILIPPINES NEWSDAY in English 20 Oct 90 p 10

["This Business of Being" column by Noel C. Cabrera: "Not a Question of Powers"]

[Text] Malacanang advisers can't seem to do anything right anymore. Even the most elemnetary job of getting the presidency ready to do battle with the worst energy crunch to hit the country somehow gets tangled up in controversy.

Unfortunately for President Aquino, it is she who gets hit smack on the noggin by all this bureaucratic nincompoopery. She emerges scathed and more debilitated each time her courtiers whisper strategies to her ear or dictate what she has to say.

Her limp and hole-ridden defense of her P [peso] 86-million bulletproof War Room at the back of the Malacanang Guest House was a case in point. Instead of demolishing innuendoes and snide criticism Mrs Aquino found herself enmeshed in contradictions and indefensible positions which betrayed not only indiscretion but also wrongdoing on the part of her officials.

Now comes the hullaballoo over emergency powers supposedly being sought by Mrs Aquino from Congress so she could resort to extraordinary measures like fuel rationing and mandatory energy consumption cuts in case the current oil crisis worsens.

The Palace should realize by now that the mere mention of emergency powers for the President is anathema to a lot of people, members of Congress particularly. It's not so much the fear that Mrs Aquino would abuse the extraordinary powers as her predecessor did but more the concern that she wouldn't know what to do with them and thus misuse these powers.

The apprehension is borne out by the misuse, or more precisely the non-use, of the emergency powers granted by Congress to her right after the failed December coup. Congress officials were falling all over themselves to deliver to Mrs Aquino the emergency powers which they thought were indispensible to snatch the country from the ruins of the putsch and prevent another from breaking out.

Yet hardly nine months had passed when another power grab was tried, this time the short-lived but equally destabilizing Mindanao uprising led by a prominent leader of the December caper who managed to elude capture despite a hefty sum on his head. To this day, most of the top leaders and brains of the bloody December coup are still out there plotting the next wave of attack against the Aquino administration.

The emergency powers given Mrs Aquino failed miserably in squelching the threat from the military rebels who have not only remained scot free but have apparently enlarged their arsenal and following.

They also failed to restore the badly shaken investor confidence in the country and arrest the sharp economic decline. The powers were inutile against opportunists and their criminal malpractices which unduly drove prices to levels unreachable to ordinary families.

Driven back by a rather strong reaction from senators and congressmen, Malacanang is now trying to explain that it is not emergency powers but reserve or contingency powers that it is asking from Congress. It adds that it simply wishes Congress would pass a bill authored by presidential uncle-in-law Representative Herminio Aquino which stipulates extraordinary powers for the President should the energy crunch worsen.

The measure, which Presidential Spokesman Adolf Azcuna calls a comprehensive legislation on the energy problem, provides Mrs Aquino the room and authority to impose drastic steps like fuel rationing and mandatory energy saving if called for by the situation.

If that was all there was to it, why didn't the Palace clowns say so in the first place without trying to whip up the impression that unless emergency powers are granted Mrs Aquino, the nation will be doomed?

As it turns out, the President does not need additional legislated powers to do what she says she intends to do. The powers and influence of her office allow her enough space and instruments to do what must be done to protect the interests and welfare of the people. In fact, the public expects Mrs Aquino to act decisively and take drastic measures as the oil squeeze tightens.

If the Palace gang of incompetents is seizing the opportunity to make it appear that the administration's dismal track record has been due to lack of powers or support from the legislative branch, it is not succeeding. On the contrary, it is projecting itself as fixated with power but entirely unable to wield even a portion of that power correctly and effectively.

CPLA Leaders Assess Recent Spate of Violence

HK3010032190 Manila BUSINESS WORLD in English 30 Oct 90 p 12

[Text] The recent spate of violence during the past few days may be attributed to the continued adherence of the communist movement to an armed struggle to gain political power.

This was the assessment made by former priest Conrado Balweg, leader of the Cordillera People's Liberation Army (CPLA), in an interview with media recently. Communist rebels were believed to be behind the burning of 24 vehicles during the four-day "Welgang Bayan. [Nationwide Strike]"

Mr. Balweg believes that unless this aspect of the Communists' ideology is changed, no ceasefire nor peace proposal between the groups under the National Democratic Front and the Government is possible.

"Knowing the CPP [Communist Party of the Philippines] under Joma Sison, whose doctrine is basically founded on armed struggle at all times...to go through a negotiation or peace process" will mean the death of the CPP.

He noted that mass support for the Communists has continued to weaken and pointed to the fact that since his group broke away from the CPP in 1986, many cause-oriented groups have likewise withdrawn their support for the CPP-NPA [New People's Army] under exiled CPP leader Jose Ma. "Joma" Sison. He revealed that the only way for the communist rebels to survive, despite the lack of support at present, is for them to create chaos and make it appear that this will subsequently disunite and further discredit the Aquino Administration.

"They will never take the opportunity of other forms of struggle unless it is to strengthen the armed struggle," the CPLA leader stated. He further discredited recent reports of a YOU [Young Officers Union]-CPP alliance, saying, "It will never, organizationally, come to a point na magkakaroon ng united front 'yan." [That they will have a united front]

The reason for this, he said, is that the members of the CPP, based on his past experiences, do not believe in the terroristic acts of the rebel soldiers since the numerous bombing incidents allegedly perpetrated by members of the RAM [Reform the Armed Forces Movement]-YOU are considered by the Communists as "putschist and adventurist" in nature.

Communists Claim Responsibility for Bus Burning

HK2910132490 Quezon City DZBB Radyo Bisig Bayan in Tagalog 1000 GMT 29 Oct 90

[By Heileen Jimeno]

[Text] Communist rebels in Metro Manila have admitted to being behind the bus-burning incidents in Novaliches, Cainta, North Expressway, Santa Mesa and Marikina last 24 October during the Welgang Bayan [Nationwide Strike]. Here are the details from Heileen Jimeno.

[Begin recording] [Jimeno] The Alex Boncayao Brigade [ABB] has admitted to five bus-burning incidents in Metro Manila during the last Welgang Bayan but blamed other violent incidents on the military. This statement was released by leftist leaders through Juan Liwanag, member of the National Democratic Front [NDF]-National Council; Teresito Villaverde of the NDF National Executive Commitee; Sergio Romero, commanding officer of the ABB; and Martin Serrano, CPP [Communist Party of the Philippines] secretary for Manila and Rizal areas.

They also denied any communist involvement in the slaying of Oscar Lazaro, leader of the Pasang Masda [Federation of Manila Suburbs Drivers' Association]. According to Sergio Romero, ABB commanding officer, other violent incidents during the Welgang Bayan were instigated by the military so that legal organizations involved in the Welgang Bayan's launching would lose their legitimacy.

At the same time, the communist rebels also blamed reporters for their imbalanced reporting which centered on military pronouncements, not giving notice to the workers' and other sectors' side of the story.

[Serrano] Why is that the reaction? Is this the reaction of the masses, the [word indistinct] masses? Because when we were reading the newspapers, immediately after, the 25th, the reporters, editors, and publishers had allegedly spoken to the strikers but have they already spoken to the masses and what was their feedback in relation to the incidents? What happenned was that they seemed shocked. Like the shock came from one part of the sector.

[Jimeno] That was Martin Serrano, CPP secretary from the Manila, Rizal area.

The communist rebels futher reasoned that violent events that took place during the Welgang Bayan were a simple [report interrupted] against workers rights, like what happenned at the Goldilocks picket line. [end recording]

Two Suspected Bombers Killed in Manila Clash

HK2710055790 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 27 Oct 90

[Text] Two men, suspected of attempting to carry out bombings, were killed in a clash with elements of the Constabulary Highway Patrol Group [CHPG] on the stretch of Ortigaz Avenue, Pasig, Metro Manila. The two suspects were riding in a blue Ford Laser where the authorities found a gallon of gasoline with a wick, a fragmentation grenade, and a revolver. The authorities are now hunting the car's driver who managed to escape. The two suspects were killed on the spot on Ortigas Avenue, Pasig, Metro Manila.

Labor Threatens To Launch Another Strike

HK3010030390 Manila Far East Broadcasting Company in Tagalog 0100 GMT 30 Oct 90

[Text] The Labor Advisory and Consultative Council [LACC] and the Kilusang Mayo Uno [KMU—1 May Movement] threatened to launch another nationwide strike if President Aquino continues to refuse their request for dialogue regarding the wage issue. LACC and KMU leaders held a meeting with Labor Secretary Ruben Torres to ask for an appointment with the president, but they failed because Mrs Aquino rejected their appeal. According to the president, she does not need to see them personally to discuss their demand for additional wages. She believes that the matter will be resolved by regional wage boards. KMU said that the president's behavior will only move them to stage another strike to fight for their request. The KMU and LACC reiterated that they wanted to show the government their desire to settle the matter when they lowered their demand of a 38-peso wage hike to 25 pesos. Rey Timbol has more details:

[Begin recording] Organized labor may launch a nationwide strike part two, because President Aquino rejected their request for a dialogue. LACC chairman Vincente Base said the issue will not be settled if the government will not listen to the workers' grievances. There is no alternative but to go onto the streets again. He said that their meeting with the Wage Board Committee had no results because the latter said it does not have the authority to grant an across-the-board increase. The Department of Labor chief himself could not even reply to their request for dialogue on the issue of wage increase. [end recording]

Editorial Views Government's 'Red Scare' Tactic

HK3010031390 Manila THE MANILA CHRONICLE in English 30 Oct 90 p 4

[Editorial: "Red Scare Is Self-Serving"]

[Text] In the aftermath of the violence in the last Welga ng Bayan, the government has intensified the campaign to blame the destruction on the communist guerrillas. In her weekly radio broadcast last Sunday, President Aquino said that the 20 buses allegedly burned by the communist guerrillas had brought P [peso] 25 million in losses.

In a separate announcement, the military, citing seized documents, said that the New People's Army "intends to use political terrorism as a catalyst for the resurgence of martial law or through inducing the launching of another coup attempt by ultra-rightist forces."

What is disturbing about these claims is that they are not only self-serving but they also indicate the resurrection by this government of a well-known tactic of the Marcos regime in dealing with labor unrest—i.e., raising the Red scare. Without too much hesitation, the government concluded that the communist guerrillas were responsible for the violence. This immediately precluded the possibility that other groups—especially the ultra-right military rebels—could also be fishing in troubled waters.

This scare campaign parallels the tough legal measures launched by the government against the leftist trade union, the Kilusang Mayo Uno (KMU), which was the prime mover of last week's Welga, and its masterly use of the divide and rule tactic to isolate the radicals by persuading the moderate unions to stay out of the strike. Which makes us wonder whether there is a difference between the Marcos regime's handling of labor and that of the present government.

The Red smear has the effect of shifting attention away from the government's insensitivity to the unions' gesture of scaling down their wage demands in search of a compromise. The key issue in the demand of the unions for an across-the-board pay raise is they are raising a legitimate proposal. The workers' incomes are being savaged by the rise in petroleum prices, and they are asking the government to grant them relief from the shrinkage of income represented by inflation. The crackdown on the radicals in the trade union movement and the intensification of the smear campaign against the

KMU do not address the question of a compromise on new wage levels that would be acceptable to both industry and the unions.

Another point worth raising is that the government's smear tactics no longer seem relevant and adequate to cope with social unrest. The fact that the Welga fizzled indicates that it had no broad support even among the unions. The collapse of the strike has done a more effective job of isolating violent groups within the unions in pursuit of political goals than the smear campaign or the crackdown. The emphasis on the punitive approach rather than on compromise, given that the unions are taking the initiative in seeking a compromise wage level, requires some review.

In a broader sense, the end of the Cold War should have deprived the Red smear the logic of its existence. Yet, in this post-Cold War era, we continue to sharpen the ideological tools that were used by past regimes to fight the communists. Government should use a little more imagination in the use of weapons to cope with labor unrest.

Vacant Government Positions 'Deemed Abolished'

HK3010031590 Manila MANILA BULLETIN in English 30 Oct 90 pp 1, 22

[By Marcia C. Rodriguez]

[Text] Malacanang said yesterday that government positions' that have remained vacant for the last two years as of June 29 will be deemed abolished.

President Aquino said that the government is looking into the possibility of trimming the government bureaucracy and will continue to search for other ways to reduce government expenditures other than the agreements reached during the budget summit last week to lower the public sector deficit by P [peso] 55 billion next year and P83 billion in 1992.

Budget Undersecretary Benjamin Diokno said that the automatic abolition of of government positions vacant since June 30, 1988, is one way of reducing the number of government employees "by attrition."

Budget Secretary Guillermo Carague issued an order last Oct. 24 to all heads of national government agencies and government agencies and government owned or controlled corporations to submit the total number of vacant positions to the Compensation and Position Classification Bureau by tomorrow.

Carague said the initial report due on Oct. 31 must indicate vacancies as of Sept. 30 and henceforth, similar reports for succeeding years starting in 1991 will be required. Vacant positions as of the end of December will be due on Jan. 30.

Presidential spokesman Adolf Azcuna said Malacanang is considering a proposal of the House of Representatives to abolish 36 Cabinet positions to generate about P30.5 million in savings, the abolition of the Department of Tourism and the transfer of its functions to the Philippine Tourism Authority, stopping the hiring of militiamen, and limiting capital outlays and maintenance expenses.

Rep. Rolando Andaya (LDP [Struggle of Philippine Democrats], Camarines Sur), chairman of the House committee of appropriations, said freezing the hiring of government workers by attrition is a better alternative than laying off workers in the sense that it is cheaper and not painful to do so. Laying off workers would require the government to provide separation pay and other benefits.

But while the freeze in hiring will generate savings for the government, workers' efficiency may be compromised as they would complain of additional burden of work.

Diokno said that newly created offices, such as the Philippine Sports Commission and the Mindanao autonomous region, are exempted from the order.

Provincial Counterinsurgency Operations Intensify

HK3010032590 Manila BUSINESS WORLD in English 30 Oct 90 p 12

[Text] The Armed Forces of the Philippines (AFP) has recently intensified its counterinsurgency operations in the different regions of the country, resulting in the killing of several communist terrorists, one policeman and one civilian.

Five members of the New People's Army (NPA) were killed, while five were wounded and ten more surrendered to or were apprehended by AFP troops as a result of the renewed military offensive operations from the 17th to the 26th of this month.

Belated reports reaching Camp Aguinaldo yesterday stated that on October 17, 1990 eight NPA rebels voluntarily surrendered to elements of the Bravo Company of the 68th Infantry Battalion in Barangay Salian, Abucay, Bataan.

The same report further stated that on the morning of October 18, 1990 operatives of the 803rd Infantry Brigade under Army Lt. [Lieutenant] Ebias engaged some 30 communist rebels in a brief firefight in Barangay Union, Sta. Rita, Western Samar. The encounter resulted in the killing of one rebel and the recovery of several firearms, ammunition and subversive documents.

Two communist rebels were then apprehended two days later by elements of the 601st Special Forces Team in Sitio Upper Mambalo, Quintin Remo, Magalon, Negros Occidental.

On October 24, 1990 elements of the Philippine Army 9th Infantry Battalion under Sgt. [Sergeant] Capunay killed two and wounded five NPA rebels after a 45-minute gunbattle in Barangay Lanise, Claveria, Misamis Oriental. One enlisted man was reportedly wounded in the fight.

The said report finally stated that on October 26, 1990 two NPA terrorists who fired upon a military checkpoint were killed by members of the Laguna Constabulary Command as one policeman, identified as Pfc. [Private First Class] Albuan and one civilian were killed in the crossfire.

Communists Reportedly Wooing Rightist Rebels

HK3010032390 Manila BUSINESS WORLD in English 30 Oct 90 p 12

[By reporter Allan M. Refuerzo]

[Text] Miliary intelligence sources in Camp Aguinaldo yesterday revealed the formation by the Communist Party of the Philippines of a liaison group "to explore possible areas for joint action" in coordination with ultra-rightist rebel soldiers belonging to the Reform the Armed Forces Movement [RAM] and the Young Officers Union [YOU].

This group is believed to be made up of mid-level officials from both sides and shall eventually be tasked to draw up the implementation of the rebel groups' tactical offensive against the Government. Renegade Maj. [Major] Abraham Purugganan, spokesman for the YOU, was singled out to be the representative of the military rebel groups.

Intelligence sources in Camp Crame believed this to be so after a considerable amount of "C-4" military issue explosives was found in the possession of nine suspected communist terrorists who were apprehended in a series of raids on rebel safehouses in Metro Manila by elements of the Philippine Constabulary [PC] over the weekend.

These types of explosives, according to Col. [Colonel] Agerico Kagaoan of the PC Security Group, could have been given to the communist rebels by members of the RAM-YOU.

Moreover, intelligence officials have noted an increased cooperation between the communist rebels and the members of the RAM-YOU due to the recent bombing incidents as well as the violent events which had accompanied the Welang Bayan [nationwide strike] only last week.

"At first, we were amazed at how fast the NPA [New People's Army] (rebels) acquired the know-how to handle and use relatively sophisticated explosives, but we are now getting a clearer picture," stated one intelligence official.

Armed Forces field commanders had earlier reported that the communist rebels have been employing the use of explosives to effectively neutralize military tanks and other armored vehicles in their insurgency campaigns.

It was possible, therefore, added the intelligence sources, that these NPA rebels have lately been trained by members of the RAM-YOU in using military-issue explosives.

Human Rights Group Claims 209 Seized Monthly

HK2910055190 Manila THE MANILA CHRONICLE in English 29 Oct 90 pp 1, 6

[By Julie Javellana, staff member]

[Text] The October human-rights update of the Task Force Detainees (TFD) said that an average of 209 people had been arrested monthly since 1988 for political reasons, 94% of them illegally.

The TFD report obtained by the CHRONICLE said there were 4,408 political detentions from January 1989 to September 1990. The report added that 4,149 of them were illegally detained. Still in jail are 690.

Of those arrested, 535 showed signs of torture, 280 were allegedly salvaged, 109 remained missing after their arrest, and 40 were victims of frustrated salvaging.

There were 40 cases of massacres and 54 cases were frustrated. Either way, 218 were killed and 157 wounded in the massacres.

In October last year, a similar figure was quoted by Antonio Villasor of the TFD for February 1986 to September 1988. Villasor said the figures were slowly rising. He said the arrests were mostly perpetrated by members of the military, and many of the victims belonged to neighborhood or union organizations.

The report also said 532 women were victims of illegal arrests since February 1986, while 361 children had also been detained for no apparent reason from January to June 1990.

The report also dealt with the civilian victims of the military's so-called "total war policy." According to the TFD 1,010,409 people were injured in numerous bombings, shellings and hamlettings undertaken by the military.

The Commission on Human Rights [CHR], however, apparently does not consider all the cases as human-rights violations. CHR Chairman Mary Concepcion Bautista said the human rights of urban poor dwellers were more important than those affected by military campaigns in the provinces.

The yearend report of the CHR on human-rights violations included deaths due to military operations as well as illegal arrests, disappearances, salvaging incidents, massacres, hamlettings, economic and food blockades.

Thailand

Foreign Ministers View Cambodia, Bilateral Ties

BK2910142490 Bangkok Domestic Service in Thai 1200 GMT 29 Oct 90

[Text] Speaking to reporters following a meeting, lasting about one hour, with Nguyen Co Thach, deputy prime minister and foreign minister of Vietnam, and his delegation at the Foreign Ministry this afternoon, Foreign Minister Subin Pinkhayan said the two sides had discussed various issues concerning bilateral relations between the two countries. The foreign minister said Thailand and Vietnam share identical views on a comprehensive solution to the Cambodian problem through adherence to the UN principles under which steps have already been set up. Indonesia and France, as cochairmen of the Paris Conference, will hold a meeting next month.

In addition, Subin Pinkhayan said the two sides discussed economic cooperation between the two countries. He proposed cooperation for development of the lower Mekong basin. A joint committee in charge of the development project has already been set up. No serious task, however, has been undertaken. Now, although Cambodia has not joined the committee, Thailand, Vietnam, and Laos can undertake the development. A meeting will be held to discuss the formation of a joint economic commission between Thailand and Vietnam. There has already been an agreement on this matter.

The foreign minister further said that Nguyen Co Thach had informed him that Vietnamese Prime Minister Do Muoi wanted to invite Prime Minister General Chatchai Chunhawan to visit Vietnam. Subin is of the opinion that General Chatchai Chunhawan is probably willing to meet the Vietnamese prime minister and will visit Vietnam first. However, the details of the visit have yet to be fixed.

SRV's Thach Calls for Leadership Summit Meeting

BK3010015190 Bangkok BANGKOK POST in English 30 Oct 90 p 1, 3

[Text] Vietnamese Foreign Minister Nguyen Co Thach yesterday proposed a "summit meeting" between Vietnamese Premier Do Muoi and Prime Minister Chatchai Chunhawan to improve relations between the two countries. Mr Thach also proposed that Thailand and Vietnam revive a joint commission set up between the two countries in 1978 to pursue ties ranging from trade and investment to culture and sports.

Government spokesman Suwit Yotmani said Mr Thach, here on a four-day visit as a guest of the Foreign Ministry, made the summit proposal during a 30-minute meeting with Gen [General] Chatchai at Government House yesterday morning. "Mr Do Muoi would like to exchange opinions with Gen Chatchai over the development of bilateral relations," Mr Thach was quoted as telling Gen Chatchai. Mr Thach said the summit could be held in Bangkok or in Hanoi, but indicated that the first meeting should be held in Bangkok.

Mr Suwit said Gen Chatchai agreed in principle to attend the first ever summit between Vietnamese and Thai leaders and to leave the Cambodian problem, which has been a thorn in relations between the two countries, to the Cambodians.

Mr Thach proposed the revival of the 1978 joint commission during a meeting with Foreign Minister Subin Pinkhayan in the afternoon. The suggestion was seen as intended to symbolise closer ties between the two countries, an informed Foreign Ministry source said. The commission was not activated at the time it was first set up because of Vietnam's invasion of Cambodia the same year. But yesterday Mr Thach tried to emphasise the significance of the joint commission by referring to a joint commission recently set up between Vietnam and Indonesia, the source said. President Suharto of Indonesia is due to pay an official visit to Vietnam soon.

During a joint press conference after the 45-minute meeting with his Vietnamese counterpart, Mr Subin said both had agreed to set up a working group to map out details of bilateral relations. Mr Subin said Mr Thach also agreed to a proposal that the Mekong Lower Basin Development Project be implemented. The project has been inactive because of the absence of Cambodia from the four-nation committee.

Another Foreign Ministry source said Mr Subin was expected to visit Vietnam in January next year to pave the way for Gen Chatchai's visit. Mr Subin's visit would also lead to the formation of a working group, composed of senior officials from both countries, to consider the framework and terms of reference to review the overall bilateral relations, the source said. The Thai side wanted to establish cooperation in trade and investment which would be mutually beneficial, the source said. Mr Thach said his country also wished to seek regional cooperation among Southeast Asian countries, the source said.

Mr Thach also proposed that Thailand play a leading role in the regional cooperation and that Vietnam would support Thailand's efforts. Mr Suwit quoted Mr Thach as telling the Prime Minister that it was not necessary to wait until the Cambodian problem is solved to implement this regional cooperation structure. "Otherwise, it might be too late," Mr Thach was quoted as saying.

Mr Thach also reportedly suggested that Vietnam, Thailand, and Indonesia take up a leading role in establishing regional cooperation in the fields of science, education and culture. Mr Suwit said Gen Chatchai had agreed with the proposal "as it was compatible with his policy of turning the Indochinese battlefield into a marketplace. The next step now depends on the Khmer leaders to make their own decision on who should be the chairman and deputy chairman of the SNC. (Supreme National

Council). No attention should be paid to who should take up the two positions," Gen Chatchai was quoted as saying.

Mr Thach was quoted as saying "Vietnam's duty with the Cambodian problem had ended. Vietnam will no longer get itself involved with this problem and will no longer play any role in this issue. It has become a matter to be discussed among the Khmer themselves," he was quoted as saying.

Mr Thach reportedly said that even if the SNC problem could be solved, civil war would continue in Cambodia and "concerned countries will be held hostages of the Cambodian problem." He reportedly said that both Thai and Cambodian villagers living along the border had been affected by the civil war and proposed that "all concerned countries should put an end to their assistance, both political and economic," to the Khmer factions. Mr Thach also told Mr Subin the time was appropriate for cooperation and that all concerned should speed up their efforts to solve the Cambodian problem, as both the internal and external levels, as soon as possible, the source said. Mr Thach was reported as having indicated he anticipated the problem to be solved "early next year," the source said.

During the joint press conference with Mr Subin, Mr Thach said he hoped Gen Chatchai would visit Vietnam soon. In response to a statement by Chinese leader Li Peng implying that Vietnam was not sincere in solving the Cambodian problem, Mr Thach said: "Vietnam could not convince Cambodia by sending tanks there." Indirectly referring to China, the main supporter of the Khmer Rouge, Mr Thach added that "if someone would like to convince the Cambodian people by sending tanks, it is not appropriate."

'Activists' Slash Arms, Demand Others' Release

BK2710025890 Bangkok THE NATION in English 27 Oct 90 p 1

[By Somphit Rungruangsakhon and Nittaya Sotwattana]

[Text] Six political activists including two women slashed their arms and used their blood to write messages asking the government to "give power to people" in front of the Ramkhamhaeng University's Hua Mak campus yesterday.

The activists demanded that police release their colleagues who were arrested about one week ago on charges of trying to incite political unrest following the death of Thanawut Khlingchua last Thursday. Thanawut, a Ramkhamhaeng student, burned himself during an anti-government protest on Oct 14 and died four days later.

As the blood protest went on, Thanawut's friend at his hometown in Nakhon Si Thammarat province attempted to commit suicide by shooting himself in the head. Nopphon Rakkamndet, 18, was listed in critical condition at the provincial hospital last night. Nopphon's parents told police that their son shot himself after having read the suicide note of Thanawut, whose body was cremated in Nakhon Si Thammarat on Thursday.

The six activists used razors to cut their left elbows and wrote messages in blood on three pieces of papers. Dozens of policemen standing guard at the protest site watched but took no action. Police have been critized for failing to stop Thanawut's suicide attempt on Oct 14. One of the activists' messages also praised Thanawut.

Dao Sisaengnam, 25, one of the female protesters, said she would set herself on fire if the government does not yield to student activists' call for it to immediately resign. Dao is among various activists who have shaved their heads to protest against the government.

The six activists later took turn in criticizing the government in front of a crowd of about 300 people. One of the students, Pom Phuraktham, 26, claimed that he had sold his house in Soi Lart Phrao 13 for Bt [baht] 1.2 million to finance their movement. The students said they would submit the blood-written messages to the Government House today.

During the rally the students also distributed leaflets which strongly criticized the government and demanded its resignation. The leaflets accused the Chatchai administration of serving only businessmen and the rich and being indifferent to the poor. The students then burned a mock coffin, which was painted with the words "For the prime minister of dictatorial government," at 7 pm. The crowd then dispersed half an hour later.

Also yesterday, Gen [General] Han Lilanon, chairman of the PM's [prime minister's] formal advisory committee, gave Thanawut's father, Bunpha, a saving account of Bt [baht] 1 million which came from Prime Minister Chatchai Chunhawan's own pocket. Chatchai pledged to give the money to help set up the Thanawut Foundation to finance scholarships for local students after Bunpha threatened to postpone the student's cremation. The ceremony was carried out as scheduled on Thursday afternoon at a temple in the Muang District of the southern province.

One of Thanawut's friends, Chaiyong Rattanawan, and a provincial councillor for the southern province, Roeng Ketkaeo, who supports the students campaigns, held a rally to criticize the government at the provincial hall until late Thursday night. Before the rally ended, Chaiyong and Roeng declared they would hold another rally today and will renew the student's demand for the government to resign and release the arrested students.

The Thursday rally drew a big crowd because Roeng said he would set himself on fire but later he failed to carry out his threat, so it was expected that today's rally would be poorly attended. Police chief of the southern province Gen Manu Sisubat said he had ordered plainclothes police to closely monitor Roeng and Chaiyong's activities.

Government Asked To 'Get Tough' With Activists

BK3010054890 Bangkok THE NATION in English 30 Oct 90 p A2

[Text] Army Commander-in-Chief Gen [General] Suchinda Kraprayun yesterday asked the Chatchai administration to get tough with radical anti-government groups if their activities disrupt law and order. He made the comment while police were cracking down on leaders of recent anti-government protests which was marked by a successful suicide attempt and arm slashing by activists believed to have been linked with the obscure Revolutionary Council.

Despite the crackdown on protest leaders, other activists have continued their protests at the Ramkhamhaeng University. On Friday, policemen only watched as a group of student activists and their sympathizers slashed their arms and used their blood to write anti-government messages.

About 3,000 protesters and onlookers caused brief turmoil in Nakhon Si Thammarat on Saturday; when they moved around Muang District asking the government to quit. The protesters said the government had until November 5 to comply with their demand or face stronger rallies.

"Police should suppress the protesters if their activities disrupted law and order," Suchinda said. But the army chief still maintained the military's sympathetic attitude toward anti-government students. "People have the right under the democratic system to express their opinions through demonstrations as long as they did not exceed the appropriate limit," he said. "But I don't mean that the government should get jumpy and resign just because 20 or 30 people demanded its resignation" he said.

The anti-government protesters, who have gained little public sympathy, have demanded that the government immediately resign or face further "bloody" protests. When asked about a news report that a rightwing activist group known as "Krating Deang" (Red Bull) was about to stage its own anti-government rally, the army commander-in-chief said: "I never heard of it".

Suchinda declined comment on speculation that Prime Minister Chatchai Chunhawan would reshuffle his Cabinet soon to improve his government's foundering popularity. "Don't ask me those questions. If it's a good reshuffle then the situation will be good. And if you want to know more, you should ask the prime minister, not me," he said.

Chatchai Interviewed on Decisions, Intentions

BK2710142190 Bangkok MATICHON SUT SAPDA in Thai 14 Oct 90 pp 36, 37

[Interview with Prime Minister General Chatchai Chunhawan by seven MATICHON SUT SAPDA staff members at Chatchai's house on Soi Ratchakhru on 25 September on the occasion of the 10th founding anniversary of the magazine]

[Excerpt] [MATICHON] Everyone seems to be worried; the prime minister does not look very happy himself. By the way, what do you mean when you said that you will not dissolve parliament and will not resign?

[Chatchai] I mean it. I will definitely not dissolve parliament. Why? Because if I dissolve parliament, there will be no more parliamentary speaker. An election must be held. The house speaker is a member of parliament, and he would automatically lose the status of an MP if I dissolve the House. Under the Constitution, the parliament president would recommend a person to become prime minister. And who would perform that duty if I dissolve parliament?

Suppose I do not resign, but dissolve parliament and refuse to be a caretaker prime minister. What would happen then? How are we going to hold another election?

[MATICHON] We can get a new prime minister to do the job.

[Chatchai] How?

[MATICHON] Well, why should you reject being a caretaker prime minister?

[Chatchai] Why not? Why should I be forced to accept it? The house speaker must go because he is no longer an MP. Who then will recommend a prime minister? The Constitution says that the prime minister would serve as caretaker for 90 days. The persons who drafted the Constitution did not think that there would be a prime minister who would refuse to perform the job of caretaker.

[MATICHON] You will not dissolve parliament, and you are not going to resign then?

[Chatchai] A resignation, if any, would involve the entire cabinet, including the prime minister himself. And the prime minister would refuse to be caretaker. Nobody would be in charge then. The parliament president is gone, together with the MP's. In fact, it should be stipulated in the Constitution that the president of the parliament, who is a senator, remain in office to select a new prime minister. Anyway, the parliament president will also leave with the prime minister.

[MATICHON] In that case, an election must be held.

[Chatchai] Yes, an election must be held.

[MATICHON] The government should not refuse to be caretaker, although there is no stipulation to that effect.

[Chatchai] There is no stipulation.

[MATICHON] For this reason, you are determined not to dissolve parliament and not to resign?

[Chatchai] (Laughs) As others do not favor the idea of dissolving parliament, I therefore am not going to dissolve it. I have said that I would also quit once the house has been dissolved. Why should I stay on to work without getting paid? I would also quit myself.

[MATICHON] Would it be possible for the incumbent president of parliament to put feelers out for another prime minister?

[Chatchai] How should he be able to do that if he is no longer the president of parliament?

[MATICHON] Does it mean that you have no plan to resign right now?
[Chatchai] I have already told you that it would be a big headache if I dissolve parliament. But if you want to have such fun, I can give it to you. Some people are afraid that we might outlive our term. [Sentence indistinct] (Laughs)

[MATICHON] So you do not think about resigning anymore?
[Chatchai] Well, I am not going to dissolve parliament. But concerning resignation, I am not sure about it.

[MATICHON] The people do not think that you would resign, judging from your style. They think you would prefer to make a decision which involves the whole team.
[Chatchai] I have served as prime minister for two years. I do not much care.

[MATICHON] But there must be a good reason should you choose to resign.
[Chatchai] Yes, there should be a reason.

[MATICHON] What a reason would justify your resignation?
[Chatchai] If we make a mistake.

[MATICHON] Or if your health is not good?
[Chatchai] No that would not be the reason. (Laughs)

[MATICHON] What would be a real reason for a prime minister to resign?
[Chatchai] Well, if you cannot solve the problem, you should go.

[MATICHON] Is there any serious problem at present?
[Chatchai] Nothing. I am not worried about politics. I am worried about the economy. I swear to you that I am only concerned about the economy.

[MATICHON] Is there a problem about the oil issue?
[Chatchai] It is still normal. If we are accused of being unable to solve the problem, such as whether oil elsewhere is cheaper than in Thailand, then the government should go. But as it is, our oil is cheaper. You should be a little reasonable. Well, there are varying opinions. [Sentence indistinct]

[MATICHON] You used to tell us often that you wanted to quit, and you said it too often for people to think it was a joke.
[Chatchai] Sometimes you have to say such a thing to help reduce the pressure. That is politics. When you say that you want to quit, people attacking you will think never mind because this prime minister will only remain in office for a little longer. (Laughs) Sometimes you have to say something like that in politics.

[MATICHON] You said to everyone that you will never dissolve parliament.
[Chatchai] I can assure you that I will never dissolve parliament.

[MATICHON] Do you not think that this would deprive you of the bargaining power to control parliament? Parliamentarians fear house dissolution.
[Chatchai] I know that despite their claim that they are not afraid of a house dissolution, deep down all those parliamentarians are afraid of it. I realize it, and I am ashamed of it. So I just want to make it clear to them that I will not dissolve parliament.

[MATICHON] Do you think of running in another election?
[Chatchai] No longer. I have told my colleagues in Nakhon Ratchasima Province. I already promised them.

[MATICHON] You are not afraid that the Chat Thai Party might be split into small factions as a result?
[Chatchai] I am 73 years old now. It would be too much for me to run in an election. I would not bear the hardship of an election campaign. What I would like to do when I am no longer prime minister is to travel, play golf, ride a sports car, and go dancing. I am not the type to enter a hospital once no longer prime minister. (Laughs) Give me a chance to have fun after fulfilling my duties.

[MATICHON] What is the plan for leadership in the Chat Thai Party once you quit?
[Chatchai] Next in line after me is Banhan Sinlapa-acha, the party's secretary general. That's it.

[MATICHON] So it will be that way.
[Chatchai] Anyway, I will still be a member of the Chat Thai Party.

[MATICHON] Well, you could always remain as the party leader.
[Chatchai] No, I am going abroad once I quit. I will not be here in Thailand where they can find me. (Laughs)

[MATICHON] That means the party's secretary general will become the leader of the Chat Thai Party.
[Chatchai] It should be like that according to the line of leadership.

[MATICHON] What about the heir you previously named (meaning General Chawalit Yongchaiyut)? Will he not put in a claim?
[Chatchai] Well, he has already left us. (Laughs)

[MATICHON] Do you not want to find a new heir? (Such as Kraisak Chunhawan, your son.)
[Chatchai] No, he does not want it. (Kraisak Chunhawan who was also present at the conversation confirmed that he did not want to be Chatchai's political heir.)

[MATICHON] What do you think about Gen. Chawalit Yongchaiyut's political party?
[Chatchai] I have not been following the developments. But I feel concern for him. I pity him. It took us 15 years to build the Chat Thai Party. Yet this is as far as we get.

[MATICHON] Why do you not make General Suchinda Khraprayun your heir?
[Chatchai] No, I have given up all such trouble. I will not support anyone anymore; it is tiring.

[MATICHON] What is your rating for Gen. Suchinda Khraprayun as a potential prime minister?
[Chatchai] I do not know. But I would prefer him as a soldier. Since he has been trained as a soldier, it would be difficult for him to become a politician. If I had remained in the military, it would also have been difficult for me to change.

[MATICHON] Besides the economic issue, what else are you worried about concerning the problems of your cabinet?
[Chatchai] There is nothing to worry about. The previous reshuffle was carried out without the knowledge of a single cabinet member. Only the prime minister knew about it. And I did not have any problem.

[MATICHON] Will there be a surprise about a cabinet reshuffle?
[Chatchai] The previous reshuffle was just a beginning. There will be more.

[MATICHON] The last reshuffle was an hors d'oeuvre before the introduction of a main course, was it not?
[Chatchai] Well, it has to be good. It has greatly improved at present, such as at the Finance and Commerce Ministries.

[MATICHON] Will it take a long time before another reshuffle is announced? Will it be late this year or early next year?
[Chatchai] I want it to be carried out, but not at the moment because the oil situation is still confusing.

[MATICHON] Will it be just another resuffle, or an entire cabinet realignment?
[Chatchai] That is what I think.

[MATICHON] Will it be just a reshuffle made in each coalition party, or will there be non-partisan figures included?
[Chatchai] We will keep it that way. I am a man of two generations. I am old, and I have seen things of the past and the present. Nothing is so frightening or beyond solution. Members of the Chat Thai Party were so worried about the recent conflict between Minister Chaloem Yubamrung and Minister Banhan Sinlapa-acha. Well the problem is over now. In fact I think things have been extinguished. If only it had been pointed out from the beginning that the fellow who was hit by the car was not Banhan's canvasser, the issue would not have been an issue. I do not know how the story about the man being Banhan's has been cooked up.

[MATICHON] There was a report that General Athit Kamlang-ek's party will merge with the Chat Thai Party.
[Chatchai] I know Gen. Athit very well. It would be good if his party merges with our party. We appreciated it when Gen. Athit's party did not stage a walkout at the voting of the censure debate. If his party joined the opposition, there would be no opposition at all in the session. We want it to be democratic. Well, I want to say that it is easier to be dictatorial, but very difficult to adopt democracy, and it is also most tiring.

[MATICHON] It was claimed that you knew in advance about M.R. Khukrit Pramot taking up leadership of the Social Action Party once again.
[Chatchai] (Laughs) I think he is a politician with great sacrifice, and he is a fighter.

[MATICHON] And we heard that you do not want to be in charge of the Defense Ministry.
[Chatchai] Well, it is too tiring for me. I have to stay up until two or three o'clock in the morning to sign papers. I want to sleep. I lack sleep, and I miss having fun. There are papers to sign. The defense minister has immense responsibilities. It is worse when you are both defense minister and prime minister.

[MATICHON] What made you cancel the plan to go to New York?
[Chatchai] There was no big problem. I just did not want to go because I was concerned about the oil situation and the control of food prices.

[MATICHON] Did it have anything to do with the political situation?
[Chatchai] No, we are mature people. I pass any headache problems on to others.

[MATICHON] What would it be like if you decide to reshuffle the cabinet now?
[Chatchai] I will try my best, and to make everyone happy. But I need cooperation from all of you. If you know that anyone is corrupt, let me know. I never look at people negatively. But sometimes the charges are made prematurely, especially when some people are unusually wealthy.

[MATICHON] Will there be endless cabinet reshuffles? Will the outsiders be included in the new cabinet?
[Chatchai] Well, I must first study what they want now. Whatever is good, I am willing to try. I have been trying to convince the 356 politicians that sometimes outsiders are needed. They want all the 45 cabinet posts for themselves. I say: Let another 55 million people in the country have their share also, only 3 seats, and we should try it. Anyway, it turned out well. What we can do for the people, we must do. [Passage omitted]

Minister Calls Chawalit Plan 'Unconstitutional'

BK3010085390 Bangkok BANGKOK POST in English 30 Oct 90 p 1

[Text] Deputy Prime Minister Athit Kamlang-ek yesterday dismissed Gen [General] Chawalit Yongchaiyut's proposal for the formation of a "People's Council" under a presidential system as being unconstitutional.

"The only way to do this is to abrogate the present constitution," Gen Athit said.

Asked about the New Aspiration Party leader's proposal for the adoption of a presidential system to separate the administrative from the legislative branch, Gen Athit, who like Gen Chawalit is a former army commander-in-chief, replied: "I am an MP in the House under a constitutional system. Any other type of council is not in keeping with the charter. You don't have to ask me about this. Anyone else would say the same thing."

He said that the Constitution had been in use for a long time and had been continually refined. There could be no such major changes and the only way to carry them out would be to abrogate the Constitution first. "I don't think the people want a 'People's Council' and I am very much against it. We already have a House of Representatives and if we were to have a People's Council it would be crazy," Gen Athit said.

He said that those who held such ideas had them ingrained in their heads for a long time. They had the right to think whatever they liked but it was not right for them to try and make everyone else believe it too. "Thais want a democratic system with the Monarchy as head of state. We cannot change to anything else. Other people may want to change it; we cannot accept them," Gen Athit [said].

Meanwhile, Gen Chawalit denied that he wanted to introduce a separation of powers and said he had always believed in a democratic system with the King as head of state. He played a videotape of his weekend speech in Khon Kaen to reporters in which he said that the current parliamentary system is a system where power was "combined", whereas another idea being discussed was a separation of powers under the presidential system. However, Thailand had already chosen the parliamentary system. Gen Chawalit then said he had always been against separation of powers.

Asked why he had been talking about the separation of powers system, Gen Chawalit said that his intention was to focus attention on the principle that under the present parliamentary system the people should be the most important and it was they who gave their power to their political representatives—the political parties. It was because of this that he did not want to see the Government control political parties or Parliament and be able to dictate whether the House session should be open or closed. Things should be the other way around, he said.

He claimed that the only reason he was often criticised for raising the presidential system for discussion was that he was a "national scapegoat". Gen Chawalit said that wherever he spoke, he had always opposed such a system. Though the current system faced some problems, one could not just change to this or that system as one liked.

Asked about criticism that a presidential system would be unfit for Thailand because the Monarchy would not have a proper place, Gen Chawalit said he did not want to comment on whether or not such criticism was aimed at discrediting him.

Army Commander-in-Chief Gen Suchinda Kraprayun also spoke in Khon Kaen last Saturday and said that the parliamentary system was a system where power was "combined" but now there was a proposal about whether or not a separation of power under a presidential system would be better.

Leaders Agree To Thai Request for GATT Vote

BK3010085490 Bangkok THE NATION in English 30 Oct 90 p A2

[by Oranuch Anusaksathien]

[Text] Denpasar, Bali—Puzzled ASEAN economic ministers agreed yesterday to a Thai request that their representatives vote against Thailand when the full membership of the General Agreement on Tariffs and Trade (GATT) rules on the Thai-US cigarette dispute next month. They said they would instruct their officials in Geneva to vote in favour of the recent report of the GATT's ruling council meets on November 7. But they asked for an explanation of the Thai request.

The report concluded that Thailand's ban on cigarette imports discriminated against foreign cigarettes because there was no equivalent ban on products of the Thailand Tobacco Monopoly. The import ban therefore violated GATT, the panel said.

Thai officials explained to the rest of ASEAN that they had no objection to the panel's finding about the import ban. Bangkok had expected the finding and had already lifted the ban, the officials said. But if the GATT Council adopts the report, the United States would also be committed to accepting that non-discriminatory bans on advertising and promotion and controls on distribution would not violate GATT either, the Thai officials said.

This would prevent Washington from using the unilateral pressure of Section 301 of US trade law to pressure Thailand to relax its restrictions on these related issues, the Thai officials told their ASEAN colleagues. Still bemused, Singaporean officials were reported yesterday to have asked their colleagues in Geneva to consult with other ASEAN officials. The Singaporeans apparently felt there was still a need to check whether there was more to the Thai request than met the eye.

At bilateral talks in Washington between Thai and US officials two weeks ago, the Americans continued to argue that Thailand should allow point-of-sale promotion for foreign cigarettes in order to counter the "unfair" advantage enjoyed by the Thai monopoly's products, the only brands officially known on the Thai market. Following the GATT dispute settlement panel's findings late last month, the Thai Cabinet on October 9 decided to lift the import ban on cigarettes.

US Trade Representative Carla Hills has until November 25 to announce her decision under Section 301 following last year's petition from US tobacco companies seeking "fairer" trade rules in Thailand.

Malaysian Official Criticizes Election Report

BK2910073490 Bangkok THE NATION in English 29 Oct 90 p A9

[Letter to THE NATION from Loh Seck Tiong, second secretary (information), Embassy of Malaysia]

[Text] I wish to draw your attention to the reports published in THE NATION on 26th October, 1990 by Sonny Inbaraj [and Kalachada Chaipiphat] entitled "Malaysian Muslim leader offers Thai rebels refuge." In our view the report is misleading and wish to make the following clarifications:

In the last few days a lot of prominence was given by THE NATION on the general election in Malaysia, particularly on the remarks made by leaders from the Kelantan State Government which should not be taken as a changing attitude of the Government of Malaysia. In any case Kelantan as a state within Malaysia is conscious of the need to work closely with the Federal Government especially when it comes to foreign relations, internal security and defence.

At the same time it is clear that with the Harapan Baru Project of Thailand it is not likely that Thai Muslims will seek refuge in Malaysia now or in the future.

Malaysia has always been a close and trusted friend of Thailand and there is no need to create any suspicion through the pages of THE NATION that this friendship will not stand the test of time.

[Signed] Loh Seck Tiong Second Secretary (Information) Embassy of Malaysia

Training for Lao Antinarcotics Officials Planned

BK2810104790 Bangkok Domestic Service in Thai 1200 GMT 27 Oct 90

[Text] According to a report by the Foreign Ministry Information Department, the government has agreed to assist Laos by offering a brief training course to Lao officials in narcotics suppression. The scholarships will come under the assistance program for Laos carried out by the Department of Economic and Technical Cooperation. The Office of the Narcotics Control Board will be in charge of the training. The Thai Embassy in Vientiane will discuss with the Lao authorities further details of the assistance program.

The program constitutes a major step in promoting bilateral relations and mutual cooperation. It also reflects the fact that the two governments attach importance to the fight against narcotics trafficking, which is an international problem of growing concern. The program also demonstrates that both Thailand and Laos are determined to make a serious effort by cooperating to solve this regional problem.

Lao Deputy Premier's Visit, Relations Viewed

BK3010113990 Bangkok Voice of Free Asia in Thai 1030 GMT 29 Oct 90

[Article: "Another Step in Thai-Lao Relations"]

[Text] The mid-October visit to Thailand of Phoun Sipaseut, deputy prime minister and foreign minister of the Lao People's Democratic Republic [LPDR], is another important event in Thai-Lao relations. It marks the first visit in a decade by the most senior Lao foreign affairs official.

Thailand and the LPDR had enjoyed long-standing close and brotherly relations that deteriorated after the change of the Lao administrative system to communism in 1976. During that period, the Lao Government's foreign policy emphasized relations and cooperation with socialist countries, particularly the Soviet Union, Vietnam, and Cambodia, in order to obtain assistance from the East European bloc to renovate the destruction the country suffered from the long civil war. But the Lao Government did not neglect to seek assistance and cooperation from free world Western countries, which it did by conducting a policy that showed that it was ready to improve ties with China and the United States.

As for its ties with Thailand, the Lao Government has stressed preservation of good relations, based on its national interests. The major reason for the Vientiane leadership's awareness of the necessity for good relations with Thailand is economic. It realizes Laos' geographic limitations—lack of access to the sea—and the slow pace of its industrial development that forces it to rely on imports from Thailand. The convenient access to the sea provided by Thailand is also very important for Lao economic development.

As for the Thai Government, it is aware of the importance of good relations with Laos and is ready to assist in Lao economic recovery and to coexist peacefully with that country. Another important factor that promotes ties between Thailand and the Indochinese countries is the end of the East-West cold war. In the past few years, the world political situation has become less tense, which in turn has reduced tension in Southeast Asia, examples of which are the favorable trend toward settlement of the Cambodian problem and the beginning of process toward improvement in U.S.-Vietnamese relations [words indistinct].

The benevolent Thai policy toward the Indochinese countries and the Lao leadership's desire to develop the Lao economy have played a significant part in strengthening Thai-Lao relations. This year marks the 15th year of Thai-Lao relations after the change in the Lao administrative system to communism. Thai-Lao relations have developed steadily in the state and people-to-people levels. Organs for bilateral cooperation have been established to support the new relationship between the two countries. [words indistinct] Moreover, exchanges of visits by officials in junior and operational levels have been regular. [words indistinct] The joint Thai-Lao committee has been formed to oversee all aspects of cooperation and resolve outstanding disputes between the two countries.

Thai-Lao relations have grown closer after Princess Maha Chakri Sirinthon's visit during 15-22 March 1990. The visit marks a very important historic event in Thai-Lao relations.

Although the visit by Phoun Sipaseut, who plays a major role in directing Lao foreign policy and holds a very senior position in the Lao People's Revolutionary Party, was short, it is very significant in the development of bilateral relations. During the visit, Phoun and Thai Foreign Minister Subin Pinkhayan acquainted themselves with each other as well as reached an agreement to develop bilateral economic cooperation, particularly to expand the trade volume in conformity with the investment promotion and protection agreement signed between the two countries in August 1990. In addition, Thailand agreed to assist Laos in expanding the generating capacity of Nam Ngum hydroelectric dam and to provide technical cooperation through scholarships for Lao officials to train in Thailand.

The Lao leader's visit and the agreement reached during the visit marks another step forward in relations between Thailand and Laos. With this growth in bilateral relations, it is perhaps not too far in the future to realize the hope of the Mekong River becoming the river of peace and friendship.

United Germany's Southeast Asia Role Examined

BK2510095690 Bangkok THE NATION in English 25 Oct 90 p A13

[Article by Kawi Chongkitthawon: "German-Southeast Asia Ties Remain Firm"]

[Text] A united Germany is well-equipped to expand its role in Southeast Asia but the task of reunification and economic integration there would occupy the country's agenda in the short and medium terms, Thai Foreign Ministry officials and diplomats said.

"What the two Germanys have obtained separately through their previous governments in dealing with the non-communist and communist countries of Southeast Asia will place the present Federal Republic of Germany in an advantageous position in the region," noted Worawit Kanitthasen, director of the Foreign Ministry's European Affairs Division.

Before the reunification of the two Germanys on October 3, the former West Germany had close relations with ASEAN countries while its sister in the East maintained large aid programmes in the three communist countries of Indochina. While a united Germany has been greeted with some anxiety in some Western countries, almost all countries in Southeast Asia welcome it. ASEAN countries see a united Germany not so much as a new player in world politics, but rather as a potential market for their low-cost consumer products. For one thing, the economic-oriented foreign policy of West Germany will get a big boost from the political-oriented foreign policy of East Germany. Together, the policy will have a balanced approach toward the region.

Foreign Ministry officials here believe that a new Germany will not engage in international politics independently but will cooperate with the world community where its diplomacy is concerned. They point out that the German leaders will be mostly preoccupied with ensuring a successful reunification policy for many years to come. "For the next 10 to 20 years, the new Germany has to take care of its own domestic well-being, it will not be easy," said one official.

Others pointed to the German reluctance to join the United States-led multinational forces in the Gulf to force Saddam Husayn to withdraw Iraqi troops from Kuwait as an indication that the country was careful not to do anything that could remind the world of the German militarist past.

Worawit, who is fluent in German, agreed that the new Germany, as a leading member of the European Community, will remain an important trading partner to both Thailand and other ASEAN countries. "Whatever Germany does, its policy will be within the EC frame work," he noted. Worawit said German Chancellor Helmut Kohl sent a letter to Prime Minister Chatchai Chunhawan reassuring Thailand that the German reunification would not affect German investment here. Former West Germany's investment here last year amounted to Bt [Baht] 3.2 billion.

A new Germany has already made adjustments to its foreign policy with countries in the region, especially with Laos, Cambodia and Vietnam which had ties with the former East Germany, according to Ina Lepel, second secretary of the Embassy of the Federal Republic of Germany in Bangkok.

A few days after the reunification, Germany announced that its national carrier, Lufthansa, will fly between Frankfurt and Ho Chi Minh City beginning this month, indicating that Germany intended to develop ties with Vietnam in spite of the existing US-led Western economic sanctions against Vietnam. The flight will mark the first time since 1975 that Lufthansa last flew to Vietnam.

Lepel said efforts to integrate former East Germany and supporting measures for other East European countries will not affect German development aid to developing countries. Juergen Warnke, German minister of economic cooperation, said recently that a united Germany will continue its support for the people in developing countries. Official development assistance last year amounted to DM [German mark] 9.21 billion (approximately Bt138 billion), an increase of 10.7 percent over 1988. Germany is planning to increase the aid to developing countries for next year by DM400 million. A sizeable reduction in Germany's defence expenditures will make further increases possible.

Lepel said at present the German government is reassessing its aid projects in the Third World, including Southeast Asia which was split into ASEAN and Indochina. She said Germany's relations with countries in Southeast Asia will remain unchanged. But she added that on the eve of reunification, Germany's diplomatic ties with the Phnom Penh regime and North Korea were cut off.

After the reunification, West Germany co-opted East Germany's diplomatic activities throughout the world. Although the East German embassies in Vientiane, Phnom Penh and Hanoi ceased to operate, some former East German diplomats still remain in the Indochinese countries during this transitional period to administer the aid programmes committed by East Germany.

In Vietnam, West Germany, which has diplomatic ties with Hanoi, has been able to take over East Germany's diplomatic mission there without any difficulty because a plan for this purpose was worked out months before reunification. West Germany has worked together with East Germany to re-orient East German development aid, which used to be governed by ideological objectives. Lepel said East Germany has qualified experts working in Indochina in the fields of medicine, vocational training, agriculture and road construction.

Observers here said Indochina would benefit more from the reunification of the Germanys because the communist Indochinese have long been exposed to the former East Germany, which has maintained extensive aid programmes throughout Indochina since the communnist victories in 1975. They said at the moment, there are more German-trained Indochinese than in all other Southeast Asian countries combined. According to unofficial statistics, about 40,000 Vietnamese and a few thousands more from Laos and Cambodia have studied in East Germany.

Visa Issuance Deregulated for East Europeans

BK3010080590 Bangkok Domestic Service in English 0000 GMT 30 Oct 90

[Text] The Ministry of Foreign Affairs has relaxed its rules on visa issuance for eastern Europeans visiting Thailand.

Director General of the ministry's Information Department Sakthip Krairoek says the relaxation is in line with Thailand's new foreign policy to strengthen its relations with eastern European countries in political, economic, investment, scientific and technical cooperation. The deregulation of visa rules was earlier approved by the cabinet.

The director general says the new rules will authorize Thai embassies and consulates to issue visas for a 90-day stay in Thailand for nationals of the Soviet Union, Albania, Bulgaria, the Czech and Slovak Federal Republic, Hungary, Poland, Romania, and Yugoslavakia. Visitors from Albania, Bulgaria, and the Czech and Slovak Federal Republic, where no Thai embassies and consulates are located, can apply for visas on arrival for a 15-day stay in Thailand at the Bangkok International Airport.

Vietnam

Nguyen Co Thach Accepts U.S. MIA Suggestion

BK3010072790 Hong Kong AFP in English 0704 GMT 30 Oct 90

[Excerpt] Bangkok, Oct 30 (AFP)—The United States and Vietnam have agreed on the stationing in Vietnam of a permanent U.S. representative on matters concerning servicemen from the Vietnam war missing in action (MIAs), Vietnamese Foreign Minister Nguyen Co Thach announced here Tuesday.

Mr. Thach told reporters he had "at once" accepted a suggestion by the United States for a representative to be stationed in Vietnam to deal with MIA issues. Mr. Thach said the suggestion was made during a recent meeting in Washington between himself and the special presidential representative on MIA questions, General John Vessey. [passage omitted]

Nguyen Co Thach on MIA's, Do Muoi Visit

BK3010124090 Hong Kong AFP in English 1209 GMT 30 Oct 90

[Excerpts] Bangkok, Oct 30 (AFP)—The United States and Vietnam have agreed on stationing a U.S. official in Vietnam to handle matters regarding servicemen missing-in-action (MIA) from the Vietnam war, Vietnamese Foreign Minister Nguyen Co Thach announced here Tuesday.

The United States has no relations with its former foe, and no U.S. official has been stationed in Vietnam since the April 1975 defeat by Hanoi forces of a U.S.-backed government in South Vietnam.

Mr. Thach, who has just made a landmark visit to the United States, said the agreement was at Washington's initiative. He said the proposal came from General John Vessey, the special U.S. presidential representative on MIA matters, during a meeting with Mr. Thach on October 17 in Washington. "I accepted at once," added Mr. Thach.

There are about 1,700 U.S. servicemen still listed as MIA in Vietnam, which U.S. troops withdrew from in January 1973 following the Paris accord.

Mr. Thach, who is also a deputy prime minister and a member of the powerful Politburo of Vietnam's ruling Communist Party, made the remarks as he was leaving here to return home after visits to the United States, Japan and Thailand.

U.S. diplomats here said they had no information on an agreement for a U.S. permanent representative to handle MIA matters in Vietnam. [passage omitted]

Mr. Thach said U.S. excavation teams were working continuously in Vietnam in their search for remains of MIA's. He said the "question is how to provide them with accommodations." He dismissed charges which surface occasionally in the United States that there were still U.S. prisoners-of-war in Vietnam. "Any American who has information on Americans alive or on remains of MIA's can come to Vietnam where all facilities will be made available for an immediate on-the-spot trip, but charges must be paid," Mr. Thach said.

He strongly condemned the "barbarous trade" that has emerged in Vietnam in human remains which are collected and sold on the black market. "This is now a big trade in my country," he said. "There is a mafia to organize this trade of remains."

Mr. Thach said that Vietnamese officials had received from private sources 700 sets of remains, 300 of which had been examined by U.S. specialists. "None of these remains were from Americans. They all were from Vietnamese or Asians. Some were even dog bones," he said.

Mr. Thach also told reporters that Thai Prime Minister Chatchai Chunhawan had invited his counterpart, Do Muoi, to visit here "in the very near future." Mr. Chatchai has redirected Thailand's traditional policy of backing Cambodian guerrilla factions fighting Phnom Penh with calls for a rapprochement between Bangkok and Hanoi.

Mr. Thach said Mr. Do Muoi's visit here would not have to wait until a peace accord is reached in Cambodia. "The meeting between the two prime ministers is not dependent on the Cambodian problem, because they are not any more the hostages of the Cambodian problem," he said.

The Hanoi official also announced a "working-level meeting" in the next few days of a joint Thai-Vietnamese technical commission to promote ties ranging from trade and investment to culture and sports. The commission was established in 1978 but has never met because of Vietnam's military intervention in Cambodia.

Recent Conferences Review Anticorruption Moves

BK2910051290 Hanoi International Service in English 1000 GMT 26 Oct 90

[Talk of the Week Program]

[Text] The Vietnamese State has issued instruction number 278 calling on all people to fight against corruption. Recently, two conferences on initial steps to fight against corruption and smuggling had been held in Hanoi and Ho Chi Minh City respectively with the participation of decision makers from provinces and localities throughout the country.

Addressing the conference in Hanoi, Chairman of the Council of Ministers Do Muoi analyzed the country's socioeconomic situation at present. He maintained that in spite of some initial successes in the renovation process, our national economy remains imbalanced. In addition, political and economic development in Eastern Europe, the Soviet Union, and the Gulf crisis have aggravated Vietnam's economic difficulties. Meanwhile, hostile forces continue to act against Vietnam, aiming to weaken Vietnam and realize their schemes. Everyone knows that corruption, bribery, and embezzlement are chronic diseases that can possibly develop in all countries under any social system, sometime brazen and conspicuous, sometimes as subtle tricks. The ordinary people, however, will evaluate a state or administrative committee at all levels as it is really of the people, by the people, and for the people or not, depending on their attitude toward those social vices.

It is not accidental that nearly two years ago Party General Secretary Nguyen Van Linh, under the penname N.V.L wrote a series of articles under the title "Things We Should Do Now" for many newspapers. He called on the entire people to fight against embezzlement, wastefulness, arbitrariness, and then against corruption at any rank and any position which is [word indistinct] and patronized by anyone. In this spirit, at recent conferences on the fight against corruption held repeatedly in Hanoi and Ho Chi Minh City, the Council of Ministers once again reaffirmed its focus on the struggle against corruption, smuggling, and wastefulness. This will be an image of Vietnam in the renovation period.

Another Fraud Case Brought to Trial, Sentencing

BK2910155290 Hanoi VNA in English 1456 GMT 29 Oct 90

[Text] Hanoi VNA Oct. 29—From October 16-27, the People's Court of Ho Chi Minh city brought to first instance trial a major case of organized fraud of which the chief perpetrator is Nguyen Van Muoi Hai, director of the Thanh Huong cosmetics enterprise.

Nguyen Van Muoi Hai, 31, ex-chairman of the Thanh Huong perfume cooperative, together with his wife and other accomplices, took advantage of his enterprise's prestige fraudulently created by himself and through bribe offerings to a number of officials in the city to open a credit line with interest rates much higher than those offered by the state savings banks. In only 14 months, they raised 148 billion dong (equivalent to 30 million U.S. dollars) but used only eight per cent of the sum for production, the rest was shared among themselves for lavish spendings. Nguyen Van Muoi Hai was arrested when signs of his fraud and insolvency became evident..

The accused were defended by a panel of lawyers, but in face of hard evidence and information provided by witnesses, they finally had to admit their guilt.

Nguyen Van Muoi Hai was sentenced to life imprisonment on four counts: fraud, appropriation of people's property, bribe offering and sabotage of the government's socio-economic policies.

His wife, Nguyen Thi Nhu, was sentenced to 12 years of imprisonment. Other accomplices received from 12 months of suspended sentence to 14 years of imprisonment each.

The court decided to confiscate the whole property of the Muoi Hai couple. The other convicts, in addition to prison terms, are under court injunction to refund fully the depositors at the Thanh Huong credit fund.

Economic Crimes Trial in Vinh Phu Concludes

BK3010084590 Hanoi Domestic Service in Vietnamese 1100 GMT 29 Oct 90

[Text] This afternoon, in Vinh Phu, the trial of Hoang Thi Xuan for economic crimes concluded after a six-day court session. This is a major case of economic crimes that has caused particularly serious consequences in Vinh Phu Province. The Supreme People's Court ruled that Hoang Thi Xuan and her accomplices were guilty of corruption and resorting to bribery, payola, and so forth, to plunder socialist property by illegally issuing 22 bank checks and changing their original value of nearly 89 million dong to more than 3,165 million dong. In this way, Hoang Thi Xuan and her accomplices misappropriated more than 2,128 million dong of the state. With this money, they gave loans to many economic units and organs to collect interests, thus operating as a credit fund. The actions of Hoang Thi Xuan and her accomplices caused chaos in state economic and monetary management.

In view of the particularly serious nature of the case, the Supreme People's Court, which held the appeal trial, decided to sentence Hoang Thi Xuan, former owner of the Mai Huong Production Group, to life imprisonment; Tran Van Doi, former deputy head of the accounting office of the Song Lo Shipyard, 15 years imprisonment; Doan Thi Dao, former accountant of the Vinh Phu Tourist and Hotel Corporation, 13 years imprisonment; Bui Thi Minh Tam, former accountant of the representation office of the State Bank in Viet Tri City, 12 years imprisonment. The other suspects received sentences from suspended jail terms to 7 years imprisonment.

The appeal session of the Supreme People's Court also started legal proceedings against three other persons involved in the case, bringing to seven the total number of additional suspects still to be tried for their involvement in the Mai Huong Case. Hoang Thi Xuan and her accomplices were ordered to pay compensation for all the damages they had caused.

Large sections of people in Vinh Phu Province welcomed the Supreme People's Court's decision to mete out severe punishments to the culprits, especially the cadres holding positions and power who were guilty of criminal activities.

Quang Nam-Da Nang Disciplines Party Members

BK3010040290 Hanoi Domestic Service in Vietnamese 1430 GMT 27 Oct 90

[Text] The Party Committee of Quang Nam-Da Nang Province recently held a plenary session to make a thorough study of the Resolution of the Ninth Plenum of the party Central Committee. The meeting worked out urgent measures aimed at mobilizing aggregate forces to resolve the remaining socioeconomic problems. It also discussed measures to stabilize the sociopolitical situation, satisfactorily carry out mass mobilization work, and concentrate efforts on implementing the movement to consolidate grass-roots party organizations and improve the quality of party members.

Through the grass-roots party organization consolidation movement, party committee echelons in Quang Nam-Da Nang have taken another step forward in preparing personnel for party congresses at various levels. They have also taken action against 482 party members for violations of discipline or law-breaking.

Tam Diep City Disciplines Party Members

BK3010042090 Hanoi Domestic Service in Vietnamese 2300 GMT 27 Oct 90

[Text] During the ongoing party purification drive, 58 party bases in Tam Diep City, Ha Nam Ninh Province, have inspected implementation of the party statutes by their party members. Each grass-roots party organization and individual party member have also been subject to stringent scrutiny concerning their negative and corrupt practices such as violations of socialist property, intentional misappropriation of state and collective funds, and the failure to pay long overdue state debts. As a result of its inspection work, Tam Diep City has disciplined 43 party members by crossing out their names on the party roster or expelling them from the party.

Border Copper Smuggling Continues in Lang Son

BK2710003690 Hanoi Domestic Service in Vietnamese 2300 GMT 23 Oct 90

[Article by Duy Ngoc in HANOI MOI: "The Sourge of Copper Traders Plying Their Trade on The Lang Son Passenger Train Continues to Rage Unconcealed and Unchallenged"; date not given]

[Summary] I boarded an express train that departed from the Hanoi railroad station at 6:00 AM on 13 October 1990. In the car I was occupying, there were little more than ten passengers. I told myself that with a handful of passengers like this, the railway sector would certainly suffer a great loss. But the train later picked up more passengers when it arrived at Yen Vien and Tu Son railroad stations. And it was finally packed to its capacity when it arrived at the Bac Giang railroad station.

After the train had passed by the Bac Giang railroad station, I found out that all the passengers sitting around me were copper traders who brought their wares to Lang Son to smuggle them across the border and that these traders seemed to know one another very well. Seated on the same bench with me were some women in their early twenties who were openly re-adjusting their thinly-pressed sheets of copper around their waists under their check-design shirts made from expensive fabrics.

Seated on nearby benches were many bare-footed women in their late forties who, clad in frumpy dress, looked like bona-fide peasants. With their trouser legs rolled up to their knees, these ladies wrapped their copper sheets around their legs. To conceal these copper sheets, they wore black trousers over them. More cautiously, they rolled their trouser legs up to their knees and then tightened them up to prevent the copper sheets from falling down.

Under their seats were a number of tattered bags. At a first glance, one may think that this group of people is traveling northward to sell dry fish. But their bags are, in fact, stuffed with only copper, ranging from copper scraps to small copper bars.

From what I saw, the quantity of copper brought by those traders on this car no. 4 to the border may amount to not less than a few hundred kg. What is the total quantity of copper carried by the whole train and how many train trips are there each day going to Lang Son? If we multiply these numbers for a month or a year, the total quantity of copper smuggled abroad may reach hundreds of metric tons!

Strangely, there were always the presence of public security agents aboard the train. A four-man team of public security agents constantly moved from one car to another. But they seemed to go on patrol just for appearance's sake. Even worse, some public security agents fooled around with these woman passengers.

At one point somewhere one km from the Lang Son railroad station, all the bags of copper were tossed down and immediately were hurriedly carried away into various populated areas.

I tried a passenger car from Lang Son to Dong Dang. Maybe I was the only tourist on that car. All the rest were traders and most of them were copper traders. Their assets consisted of many bags of copper in various shapes and sizes. The price of poor-quality copper is said to be around 6,000-7,000 dong per kg while the price of high-quality copper may reach 12,000 dong per kg. Copper traders have their own identification signs: the top of their hat is copper plated or wrapped with yellow paper.

The scourge of cross-border copper trade continues to drag on and everyone sees the disastrous effect of this kind of trade. Then how can this bad practice be stamped out? It is hoped that authorities will pay more attention to the bad practice of bringing copper by train or by other means of communications to Lang Son where it will be smuggled across the northern border. There must be drastic measures taken against these copper traders.

Citizens To Be Prosecuted on Smuggling Charges

BK2810131390 Hanoi Domestic Service in Vietnamese 1430 GMT 24 Oct 90

[Text] According to the paper SAIGON GIAI PHONG and the Ho Chi Minh City Public Security Service, the police investigation office of the service and the police economic crime investigation office of the city people's organ of control have jointly finalized documents in preparation for the prosecution of 25 defendants on charges of smuggling. The defendants were apprehended by the Ho Chi Minh City Public Security Forces in Cu Chi on 25 September when they were in the process of smuggling contraband goods, especially foreign cigarettes, into Ho Chi Minh City from Tay Ninh Province. More than 300 others were also arrested on the spot by the public security and other responsible agencies for their involvement in this case. Among them were some cadres, workers, civil servants, soldiers, and war invalids and other elements of society known to have engaged in smuggling activities. Material evidence included many motorbikes without original documents and carrying fake plate numbers, a large quantity of foreign automobile tires, and nearly 6,500 cartons of smuggled foreign cigarettes.

Meanwhile, within a short period of time, the city public security service was able to wind up all the necessary procedures to turn over a large quantity of legally imported goods—including 2,600 cartons of foreign cigarettes—to their consignees. It also released 145 people from detention due to insufficient evidence and handed over 14 soldiers and war invalids to the 7th Military Region for punishment. The remaining 25 defendants in this case will be brought to trial after all documents have been finalized by the city public security service and organ of control.

Economic Development of Past Nine Months Noted

BK3010104090 Hanoi International Service in English 1100 GMT 29 Oct 90

["Report on the Development of Vietnam's Economy Over the Past Nine Months"]

[Text] Economic factors in the first nine months of this year have shown a continued upward trend. Farmers throughout the country harvested fairly good crops in both summer and autumn. They reaped more than 12 million tonnes of paddy in the winter-spring and summer-autumn crops, up by 400,000 tonnes over the same crop last year. This makes the target of 21-22 million tonnes of food for this year attainable. Stock breeding is also making headway. By September, the whole country had more than 2.9 million buffaloes, up by 1.5 percent compared to last year; more than 3.3 million cows and oxen, up by 3.5 percent; 3.7 million pigs, up by 4 percent; and 110 million poultry, up by 5 percent.

Demands for goods for home consumption were ensured at stable price. [Words indistinct] is going on in the industrial sector. Total industrial output by September this year was 4.9 percent higher than the same period last year. [Words indistinct] the increase of 15 percent of central enterprises and 5.7 percent at the local enterprises. About 70 percent of the essential industrial [word indistinct] recorded increases: 11.6 percent for electricity; 15.4 percent for coal; 30.5 percent for cement; 15 percent for oil and fuel; 84 percent for transformers; 17.6 for diesel engines.

Total export value in the first nine months of this year reached 1,610 million in U.S. dollars and rubles, up by 80.4 percent over the same period last year. Industrial rubber increased by 45 percent, coffee by 33.3 percent, rice by 23.4 percent, and crude oil by 115 percent. The export of arts and crafts showed some decrease.

Meanwhile, 79 more foreign invested projects have been licensed with the total investment of 335 million U.S. dollars. Inflation remains under control, overall prices hikes in nine months were 3.3 percent per month. Inflation rate stood at two digits in 1989 compared with three digits in 1988.

Australian Trade Union Delegation Visits

BK3010063190 Hanoi Domestic Service in Vietnamese 1430 GMT 27 Oct 90

[Text] At the invitation of the Confederation of Vietnamese Workers [CVW], a delegation of the Australia Council of Trade Unions [ACTU] headed by Dick Scott, ACTU first vice president; Jack Campbell, general secretary of the Fire Engine Drivers Association; and Peter Rockel, secretary of the Government and Radio Broadcasting Employees Trade Union, has been visiting Vietnam since 21 October.

During its stay, the delegation held talks with the CVW leadership led by its President Nguyen Van Tu, visited a number of production establishments, met with workers and trade union cadres, toured some scenic spots in Hanoi and Quang Ninh, and signed with the CVW a memorandum on mutual understanding concerning the plan for developing the relations of cooperation between the Vietnamese and Australian trade union organizations.

The delegation was cordially received by Le Quang Dao, chairman of the SRV National Assembly. Nguyen Van Tu, member of the party Central Committee and CVW president; Nguyen Van Dung, member of the CVW Executive Committee; and Graham Richard Alliband, Australian ambassador extraordinary and plenipotentiary to Vietnam, also attended the reception.

On 28 October, the delegation left Hanoi for Ho Chi Minh City to continue its program of activity in Ho Chi Minh City and Vung Tau-Con Dao Special Zone. It will leave for home on 31 October.

Department Meets Over Land Act Implementation

BK2710152390 Hanoi Domestic Service in Vietnamese 1430 GMT 24 Oct 90

[Text] The Land Management General Department recently met in Ho Chi Minh City with provinces from central Vietnam southward to review three years of implementing the Land Act.

Over the past three years, thanks to the introduction of the Land Act, these provinces have initially restored law and order in land management by the state, thus contributing to settling land disputes in various localities. Implementation of the Land Act, however, still has many drawbacks such as slow promulgation of concrete stipulations for the implementation of the act, unscrupulous observance of certain provisions of the act, poor supervision over implementation, and so forth.

In order to make satisfactory preparations for a nationwide conference to be held in early 1991 to review three years of implementing the Land Act, the Council of Ministers has issued a directive asking the people's committees of various provinces, cities, and special zones under the direct jurisdiction of the central government and all sectors concerned to review the implementation of the Land Act by relevant localities and sectors in order to evaluate the situation and the results of the implementation of the Land Act over the past years. Efforts must be made to point out what has and has not been done, to determine the reasons and responsibility for the failures, to contribute opinions to perfecting the state management mechanism over land areas, to come up with concrete policies on land use and land management, and to suggest measures for satisfactory implementation of the Land Act in the future.

Radar Complex Being Built at Hanoi Airport

BK2610165590 Hanoi VNA in English 1524 GMT 26 Oct 90

[Text] Hanoi VNA October 26—the Skala-MPR radar complex of the flight information region (FIR) system has been under construction at the Hanoi International Airport in response to the request of the International Civil Aviation Organization (ICAO).

The complex is the most important link in the system of 20 VFI [visual flight information] projects in northern Vietnam. The complex, which covers a total area of 7,000 square metres, includes an antenna tower designed and equipped by the Soviet Union. The 140-ton antenna tower is being erected on a foundation built with 253 cubic metres of concrete and nearly 15 tons of steel frames.

In the first phase of construction, 27 tons of concrete and steel has been used.

Government Bonds Payment News Conference Held

BK2710151990 Hanoi Domestic Service in Vietnamese 1430 GMT 24 Oct 90

[Text] The Ministry of Finance held a news conference in Hanoi this morning on the question of paying for the government bonds: For National Construction; with the five-year maturity term.

At the news conference, Comrade Ly Tai Luan, deputy minister of finance, said that on 11 October 1990 the chairman of the Council of Ministers issued Decree No. 257 concerning the payment for the government bonds: For National Construction; with the five-year maturity term which, offering an annual interest rate of two percent, were issued from late 1985 to the end of 1986 and which will mature between the fourth quarter of 1990 and the end of 1991.

In this phase, payment for government bonds will be made according to the following stipulations:

1. For all government bonds which were issued by a number of provinces and cities from 1 June 1985 to the end of 1986, were purchased by money or rice paddy in accordance with a supplementary decree issued by the Council of State on 30 May 1985, offer an annual interest rate of two percent, and have a seal on both sides reading: five-year maturity term, the interest rate will be paid for the entire five-year term in accordance with the date of issuance marked on these bonds.

2. Government bonds will be paid by the state treasuries of various provinces, cities, special zones, precincts, districts, and towns and by various bonds-paying teams set up by ward and village people's committees and empowered by the State Treasury.

3. Persons seeking payment must show their government bonds together with their legal identification cards. If there is any change in their address or in the ownership or there is any delegation of power to other persons to cash the bond, it must be certified by the appropriate local people's committee.

Government Joins Asian Population Forum

BK2910052290 Hanoi VNA in English 1510 GMT 26 Oct 90

[Text] Hanoi VNA October 26—Vietnam has become a member of the "Asian Forum of Parliamentarians on Population and Development." This was decided at the forum's third plenary conference held in Bangkok from October 15-18.

The Vietnamese delegation to the conference was led Dr. Nguyen Thi Ngoc Phuong, vice chairwoman of National Assembly and member of its Commission of Public Health and Social Affairs. She delivered a report on family planning and related issues. The report laid emphasis on the Vietnamese government's concern over the population problem, and its practical measures in carrying out family planning.

Education Cooperation With World Organizations

BK2910154790 Hanoi VNA in English 1450 GMT 29 Oct 90

[Text] Hanoi VNA October 29—Vietnam's educational service has established official relations with 40 countries, seven non-governmental organizations, 10 international institutions and many general and higher education schools in the world.

Vietnamese students and post-graduates have been sent to socialist countries for further training under cooperation agreements by which many Vietnamese experts and professors have been invited to Laos and Cambodia to help them in personnel training.

The educational service has also maintained good ties with its counterparts in capitalist countries and with non-governemental private and overseas Vietnamese organizations, especially with France, India and Holland. In 1989 educational delegations from the United States, Japan, the Republic of Korea and Australia visited Vietnam to study possibilities for cooperation. Many foreign private institutions and individuals have expressed their willingness to work for Vietnam's personnel training. A private company of the Republic of Korea has undertaken the building of a vocational training centre in Vietnam while the Fraternite-Vietnam Organization in France continues to offer regular scholarship for excellent Vietnamese pupils and students. For their part, overseas Vietnamese have made valuable contributions to the educational cause in their native provinces.

Vietnam has also enjoyed great and effective assistance from such international bodies as ACCV [Anales del Centro de Cultura Valenciana], ESCAP [Economic and Social Commission For Asia and the Pacific], SAMDO [expansion unknown], ACCT [Agency for Cultural and Technical Cooperation], ASPBAE [Asian-South Pacific Bureau Adult Education], ICBAE [expansion unknown], ICBA [International Community of Booksellers' Associations], UNDP [United Nations Development Programme], UNESCO, UNFPA [United Nations Fund for Population Activities], and especially UNICEF. During his recent official visit to Vietnam, the UNICEF executive director highly valued results of Vietnam-UNICEF cooperation in educational development.

High appreciation has been give to Vietnamese educational experts working in African countries. New contracts on this field have been signed between Vietnam and some Third-World countries.

International aid to Vietnam's educational service in 1989 rose to 3.3 million U.S. dollars, up by 17 percent over 1988. The service is trying to make better use of international assistance to further develop the country's educational cause.

Harbor Sedimentation Research Project Signed

BK2710100390 Hanoi VNA in English 0718 GMT 27 Oct 90

[Text] Hanoi VNA October 27—Documents of a project on research of alluvial sedimentation in Hai Phong Port City has been signed here between the Ministry of Communications, Transport and Posts and the United Nations Development Program [UNDP].

Signatories were La Ngoc Khue, deputy minister of communications, transport and posts, and David Smith, UNDP resident representative in Hanoi.

The project will be implemented in three years (1991-1993) with the UNDP's financial assistance of 54,000 U.S. dollars, 45 percent of which will be for the purchase of equipment, and some 25 percent for personnel training. The Department of Technical Cooperation for Development of the UNDP will be the executing agency.

This is the first big, long-term project funded by the United Nations for the communications and transport sector.

Nguyen Quyet, Delegation Visit Quang Binh

BK3010092290 Hanoi Domestic Service in Vietnamese 2300 GMT 26 Oct 90

[Text] From 15 to 21 October, a People's Council delegation led by General Nguyen Quyet, secretary of the party Central Committee and vice chairman of the Council of State, paid a working visit to Quang Binh Province. He was accompanied by members of the Culture and Education Committee; the Committee for Youth, Teenagers, and Children; the Science and Technology Committee; the Public Health and Social Welfare Committee; and the Nationalities Committee of the National Assembly.

After working with the province's leaders and with various local sectors, the delegation paid a working visit to Tuyen Hoa and Minh Hoa Districts. Comrade Nguyen Quyet and members of his delegation had several meetings with local cadres and people to inquire into various aspects of their economic, cultural, and social life as well as into the security and defense situation, and into the implementation of the ethnic minority policies of the party and government.

National Assembly Chairman Visits Ha Tuyen

BK3010103390 Hanoi Domestic Service in Vietnamese 2300 GMT 26 Oct 90

[Text] A National Assembly and Council of State delegation led by Comrade Le Quang Dao, member of the party Central Committee and chairman of the National Assembly, paid a working visit to Ha Tuyen Province from 18 to 25 October.

Chairman Le Quang Dao and other members of the delegation heard reports by the provincial party committee, the People's Committee, and the People's Council on all aspects of the local political, economic, social, security, and defense situation, and on the people's living conditions. They conducted inspections in various specific localities in the province, its districts, and the grassroots organizations, and made broad contacts with the people of all strata. The chairman and his party shared the joy of the province over the achievements it has recorded in the past 45 years. They also shared the particular difficulties currently facing the people in the highlands of Ha Tuyen.

Working with the standing committees of the provincial party committee, People's Council and People's Committee, and with various departments and branches in Ha Tuyen, Chairman Le Quang Dao also pointed out remaining problems and contributed numerous ideas and suggested measures to be applied to overcome them.

Doan Khue Visits Military Technology Institute

BK2710154890 Hanoi Domestic Service in Vietnamese 1400 GMT 24 Oct 90

[Text] General Doan Khue, member of the Party Central Committee Political Bureau and chief of the Vietnam People's Army [VPA] General Staff, recently paid a working visit to the Military Technology Institute.

Comrade Gen Doan Khue was briefed by Comrade Professor Colonel Nguyen Hoa Thinh, director of the institute, on the performance of the tasks entrusted to the institute by the Defense Ministry in the domains of scientific training and research for the 1989-90 academic year. Later, he specifically asked Comrade Professor Colonel Nguyen Hoa Thinh about the initial changes in training activities, especially in terms of theory and practice, for future officers and engineers to be assigned to various units.

The comrade chief of the VPA general staff noted with interest various scientific research projects of the Military Technology Institute, especially those in direct support of activities related to training, combat-readiness, and fighting of the Army.

He also viewed the equipment on display at some sections of the institute, inspected the amount and quality of food served at a mess hall for cadets and long-term trainees, and observed an experiment of a Defense Ministry's scientific research project conducted by the institute. This project, which caught his interest, was one with practical importance for the Army.

Evaluating the initial results of the experiment, Comrade Gen Doan Khue wished the Military Technology Institute early success and increasingly enormous progress in the domains of military scientific and technological training and research under the present situation, thereby helping to build and firmly defend the socialist Vietnamese fatherland.

Haiphong Experiences Heaviest Rains in 100 Years

BK2810063790 Hanoi Domestic Service in Vietnamese 2300 GMT 24 Oct 90

[Text] Haiphong Municipality recently experienced the heaviest downpour in 100 years. Rainfall was measured at 432 mm, flooding all outlying districts and damaging agricultural production. About 5,000 hectares of 10th-month rice in the municipality were submerged. This may reduce rice output by five to seven percent. A vast area of newly planted subsidiary food crops was also submerged.

At present, the water conservancy sector, districts, and the peasants are making great efforts to drain water through more than 300 sewers. Meanwhile, the agricultural sector has urgently distributed seeds to agricultural cooperatives to quickly plant the winter crops.

Typhoon Kills Seven in Quang Ngai Province

BK2910110490 Hanoi Domestic Service in Vietnamese 1100 GMT 27 Oct 90

[Text] Due to the influence of typhoon no. 8, Quang Ngai Province experienced heavy downpours during 13-17 October, causing flash floods in mountain and delta districts and losses to the people's property worth more than 12 billion dong.

According to a preliminary report, the downpours and floods killed seven persons and injured three others; destroyed 24 warehouses, 150 houses, and 40 classrooms. About 10,500 hectares of the province's ripening 10th-month rice were submerged. It is expected that 50 percent of the rice output will be lost. A vast area of subsidiary food and short-term industrial crops was submerged and damaged, thus reducing production output by 60-70 percent. Moreover, 150 cattle were killed, 85 dams and dikes were damaged mostly in mountain and riverside districts, and 25 bridges were swept away.

Quang Ngai Province is striving to guide and supervise various sectors and districts to help the people overcome the typhoon consequences, especially in draining water, restoring ricefields, repairing communications lines and water conservancy projects, improving hygienic conditions in localities, and stabilizing the people's daily life in flood-striken areas.

Australia

Mandela Addresses Groups, Concludes Visit

Discusses Foreign Investment

BK2610010390 Hong Kong AFP in English 1610 GMT 25 Oct 90

[Text] Melbourne, Australia, Oct 25 (AFP)—Nelson Mandela told Australia's business community Thursday that a South Africa ruled by the African National Congress (ANC) would welcome foreign investment.

Mr. Mandela's speech to a business lunch on day three of his official visit was later followed by a pledge in front of unionists that the armed struggle against apartheid would be taken up again if necessary.

Mr. Mandela met former Australian Prime Minister Malcolm Fraser before he told the businessmen that South Africa would welcome Australian and other international investment once apartheid was abolished. "The ANC has no intention whatsoever of destroying the South African economy," he said.

The ANC was already holding talks with South African businesses about restructuring the economy, he said, adding that the organisation was committed to a mixed economy.

At a later news conference, Mr. Mandela said he was happy that South African President Frederik de Klerk had said he was prepared to serve under him in a democratically elected government. Mr. De Klerk made the statement while in the Netherlands this week.

Mr. Mandela said that he thought Mr. De Klerk was sincere when he said he was committed to changing South Africa. But the black nationalist leader told trade unionists that the ANC would resume its armed struggle if the South African Government was hesitant about tearing down apartheid.

"We have decided to suspend the armed struggle, but there is a fundamental difference between suspending the armed struggle and calling it off," Mr. Mandela told the emotional crowd. "We have not called off the armed struggle. All we have done is say to our men please ... don't shoot," he said. "But if the government shows a breach of faith and decides to support some sabotage of the peace talks or if it decides to drag their feet we will, without hesitation... continue the armed struggle."

"The tradition of militant resistance in our country has produced a new generation that is so committed they are prepared to buy freedom with their own lives," he said.

Mr. Mandela also indicated he may enter the debate on treatment of Australia's aborigines. Many Australian aborigines have been angered by Mr. Mandela's reluctance to comment on their plight and some aboriginal groups here boycotted Mr. Mandela's visit to Melbourne.

Mr. Mandela told reporters that he was still unwilling to fully intervene on behalf of aborigines. "I identify with the struggle of the aborigines to improve their living conditions," he said. "But don't expect me to go into details which may be interpreted as an improper interference in the internal affairs of another country."

Mr. Mandela was awarded several standing ovations by unionists when he spoke of the history of the African National Congress Party and its links with trade unions. He said it had been difficult for him to understand how workers thousands of miles from South Africa could be passionate about apartheid.

News of Australian dockworkers refusing to unload South African ships in the 1970s had "created a lot of excitement" and given his people hope, he said.

Mr. Fraser, who met Mr. Mandela four years ago when the black leader was serving a 27-year prison term, said the 72-year-old visitor was "one of the most remarkable people I have ever met". "He certainly has the capacity to lead a government," Mr. Fraser said.

Called 'Greatest' by Aborigines

MB2810103690 Johannesburg SUNDAY STAR in English 28 Oct 90 p 2

[Article by SUNSTAR Correspondent: "Mandela Is the Greatest, Say Aborigines"]

[Text] Sydney—When Marcia Langton, an Aboriginal woman, emerged from a meeting with Nelson Mandela in Sydney this week, tears were streaming down her face.

Speaking for a group of about 20 Aborigines who met the ANC's [African National Congress'] deputy president, she said: "We've had the greatest pleasure of our lives. He is the greatest man of the 20th century. We represent almost 100 percent of Aboriginal Australians and we dissociate ourselves from the disgraceful behaviour of one or two individuals whom the media have created as the voice of Aboriginal Australia."

Activist Michael Mansel earlier criticised Mr. Mandela for not identifying with the Aboriginal cause. Mr. Mandela had explained that the ANC did not want to be construed as interfering in Australia's internal affairs.

Mr. Mandela posed with Miss Langton's baby. The baby burst into tears, but the rest of Sydney loved Mr. Mandela. The unions and peace groups were among up to 40,000 people at his Opera House rally.

Mr. Mandela pleased feminists by speaking of a new, non-sexist South Africa. But they muttered disapprovingly when he praised the three "talented ladies" who had written his speech for him.

Security was tight and few members of the public managed to get close to him. Those who did peered closely or touched his jacket, or held out babies towards him.

As Mr. Mandela and his entourage flew out of Sydney bound for Tokyo, the Melbourne HERALD-SUN revealed that his visit had cost Australian taxpayers about R [rand] 350,000. It said that Mr. Mandela had been given the "red carpet treatment equal to that of a visiting head of government".

His group comprised his personal doctor, a private secretary, an adviser, two "attendants", three ANC officials, two video operators, a speech writer and a photographer. Their travel within Australia was by VIP aircraft from the Royal Austrailan Air Force and their accommodation was at the country's finest hotels.

Funds to meet the costs would come from the Prime Minister's own department and would include the fares for the group on the Qantas service to Japan.

"The visit had a high price tag," observed the HERALD-SUN.

Mandela spent five days in Australia, visiting Canberra, Sydney and Melbourne. On Friday, he rested at Kirribilli House, the official government residence in Sydney. He visted India, Brunei and Indonesia before Australia and will travel to Malaysia following his visit to Japan.

—Mr. Mandela arrived in Japan yesterday, avoiding direct comment on a row over an anti-black remark by Justice Minister Seiroku Kajiyama, SAPA-REUTER reports.

During his six-day visit, Mandela will seek financial support for the ANC and urge Japan not to lift economic sanctions against South Africa until blacks get the same voting power as whites, an ANC spokesman said. Foreign Ministry spokesman Taro Watanabe has said Japan is considering lifting sanctions in view of positive reforms by State President F.W. de Klerk.

Mandela said he believed the Japanese government could handle the controversy sparked by Mr. Kajiyama's recent slur against black Americans. Mr. Kajiyama told reporters on September 21, after a midnight tour of Tokyo's red-light district, that foreign prostitutes he saw there would ruin good neighbourhoods "just like in America where the blacks came and drove out the whites". Opposition parties and the Mandela Reception Committee, comprising Japanse experts in African affairs and civil rights activists, have demanded that Prime Minister Toshiki Kaifu sack Mr. Kajiyama.

Departs for Japan

MB2610130790 Johannesburg Domestic Service in English 1100 GMT 26 Oct 90

[Text] The deputy president of the ANC, Mr. Nelson Mandela, has ended his tour of Australia, where he had received a huge welcome, and more than 30 million rands was donated to the ANC by the government alone.

At the end of the tour, Mr. Mandela called off an unscheduled visit to a poor area of Sydney, where aborigines had been hoping to show him their squalid living conditions. Officials said Mr. Mandela was tired after speaking at the final official function of his thee-city tour. He flies to Japan tomorrow to continue his tour of Southeast Asia, on which he has also visited India and Indonesia.

Evans Defends Fiji Economic Sanctions Decision

BK2710113290 Melbourne Overseas Service in English 0500 GMT 27 Oct 90

[Text] The Australian foreign affairs minister, Senator Gareth Evans, has defended cabinet's decision not to impose economic sanctions on Fiji. Senator Evans' comments at a seminar in Melbourne on Australia-India relations followed criticism from the Indian high commissioner that Australia had not done enough to condemn the new Fiji Constitution.

However, Senator Evans defended Australia's response to the Constitution, which he described as racially based and racially (?fired). The high commissioner, Mr. S. Bhutani, who is returning to India next year, made the comments in a speech to the same seminar.

In another development, Senator Evans said he had been told not to visit Fiji during his forthcoming tour of the South Pacific. Senator Evans said that he had been advised against the visit by the prime minister of Fiji, Ratu Sir Kamisese Mara.

Trade Agreement Signed With New Zealand 26 Oct

BK2610153590 Melbourne Overseas Service in English 0500 GMT 26 Oct 90

[Text] The first steps have been taken to cut official red tape restricting trade between Australia and New Zealand.

Representatives from Australia's three levels of government today signed an agreement with New Zealand to simplify and unify government control on manufacturing, bringing them in line with international standards. The agreement signed in Canberra, permits the governments to move towards common products and processing standards and accreditation procedures.

Official Supports Attempts To Free Hostages

BK2710084790 Melbourne Overseas Service in English 0500 GMT 27 Oct 90

[Text] Federal opposition leader, Dr. John Hewson, says he will support a nonpolitical emmisary in any attempt to free Australian hostages in the Middle East. Dr. Hewson says he would condone the move on humanitarian grounds, but only on three conditions.

[Begin Hewson recording] There has to be clear understanding we couldn't compromise our bipartisan decision on the Gulf. We have the understanding that we can't (?save) thousands of hostages and instead, there will have to be an understanding that we shouldn't compromise the position of any hostages that might be left. [end recording]

A senior foreign affairs official who has been to Baghdad for talks with the Iraqis says he is aware of private moves to secure the release of Australian hostages.

New Zealand

Bolger Welcomes Bush's Pacific Initiatives

BK3010083590 Hong Kong AFP in English 0814 GMT 30 Oct90

[Text] Wellington, Oct 30 (AFP)—New American initiatives in the South Pacific announced by President George Bush offered hope that New Zealand-U.S. relations will improve, Prime Minister-elect Jim Bolger said here Tuesday.

In a brief statement he welcomed initiatives in aid and on political issues such as driftnet fishing announced by Mr. Bush at the end of his weekend summit with Pacific leaders in Hawaii.

"President Bush has recognised the concern of Pacific nations on a wide range of issues," Mr. Bolger said. "The initiatives demonstrate the affinity of interest between the U.S. and New Zealand on matters of Pacific policy and confirm my hope that we will be able to improve relations betwen our two nations in the near future," Mr. Bolger said.

Relations between the two countries have been strained since the outgoing Labour government made New Zealand nuclear free and in 1985 turned away a proposed visit by a U.S. warship because Washington would not confirm or deny whether it carried nuclear arms.

Bolger Interviewed on Relations With Australia

BK3010105690 Melbourne Overseas Service in English 0803 GMT 30 Oct 90

[From the "International Report" program]

[Text] New Zealand's conservative prime minister-elect, Jim Bolger, says he (?cannot wait to meet) his Australian counterpart, Bob Hawke, and he is looking forward to an early meeting to discuss issues, such as closer defense ties between Australia and New Zealand and trade matters.

Mr. Bolger says he also wants urgent action on the Australian Government subsidies paid to car manufacturers, which he says, are killing New Zealand car plants. In his first Australian Radio interview since winning the country's election last Saturday. Mr. Bolger spoke to Steve Chase about some of the main trans-Tasman issues.

[Begin recording] [Chase] Now, does the election result give your party a mandate to reenter the ANZUS [Australia-New Zealand-U.S. Defense Pact] alliance, and are we likely to see a resumption of joint Australian-New Zealand defense exercises?

[Bolger] Well, there are joint Australian-New Zealand defense exercises now, and I would like to see those not only continue but expand. On the broader question of ANZUS, which is a tripartite agreement between ourselves, Australia, and the United States, there is a lot of work to be done before that can be put in any form that reaches what is a central [word indistinct] to what is a mutually acceptable security arrangement between New Zealand and the United States, and that, of course, has not even started to get off the ground, other than the election of new government, is positive.

[Chase] On the nuclear issue, is it a priority for you to have talks with the Americans and perhaps the Australians about nuclear ship visits to New Zealand ports?

[Bolger] Well, the legislation that the Labor government passed, we have agreed to accept the matter. Apart from very, very severe constraints on ships coming to New Zealand ports and certainly no nuclear-powered or nuclear-armed ships can come. Now that's permanent. The next stage is ready to sit down and talk with the two former ANZUS partners, and in particular, talk with the United States. So those discussions will start in the near future, but of course, no time has been set on them.

[Chase] Bob Hawke spoke to you shortly after your election win on Saturday night. Is he keen or are you anxious to clear up the issue of the frigates contract which surfaced in the election campaign and became an election issue?

[Bolger] I am certain that following my discussion with Bob Hawke, there is no uncertainty now. I made it clear to Mr. Hawke in the phone call, my [word indistinct] at the national government would honor the purchase agreement. But I did leave open that we might discuss some rescheduling of which ships we took and perhaps the payment conditions, and I don't even have the detail of the payment conditions the former government intended to, so we'll have a litle chat on that once I get a full briefing on the state of New Zealand economy. But the bottom one is we will honor the commitment intended to by the former government.

[Chase] Can you work with Bob Hawke, and is there an early meeting planned?

[Bolger] I certainly can work with Bob Hawke, I have known Mr. Hawke since before he went into politics, and I have met him on occasions since. No, no, no difficulty there. No, we don't have an agreement to meet rather than the general agreement of two trans-Tasman neighbors that would like to get together and have a chat. Now when that has got to be possible for both persons is yet to be determined.

[Chase] During the campaign you promised to do something to stop New Zealand producers being exploited by unfair competition from Australia. What do you propose to do exactly?

[Bolger] Well, the facilities like the export facilitations scheme, which has been pretty damaging to the car and heavy industry in New Zealand, which Australia has persisted with, I would certainly want my ministers to pick that issue up pretty quickly with the Australian counterparts. And the outgoing government in fact has made submissions to the Australian Government on it already. It clearly is a distortion, and it is not consistent with the spirit of CER [closer economic relations] which is to remove barriers to the free flow of trade across the Tasman. So, yes, we would want to move into discussions on that quarterly.

[Chase] Would you seek to renegotiate some of the terms of the Closer Economic Relations Treaty with Australia? You have said that export subsidies paid by the Australian Government to its car manufacturers are killing New Zealand car plants.

[Bolger] When we negotiate, it is really to move further and remove the distortions. That is what I want to have achieved as soon as possible. The distortions in fact are not consistent with the [words indistinct] of CER. The [words indistinct] conceived by the former national government prior to the 1984 election, and subsequently it has been developed over the last six years. Now, we should move forward and remove the distortions, and where there are distortions, put a time-frame (?on for) their elimination. [end recording]

Solomon Islands

Former Mamaloni Rival Made Foreign Minister

BK2610152690 Melbourne Overseas Service in English 0500 GMT 26 Oct 90

[Text] A former rival of the Solomon Islands' prime minister, Mr. Solomon Mamaloni, has joined forces with him in the country's new government of national unity. The parliamentary leader of the opposition United Party, Sir Peter Kenilorea, had been sworn in as minister for foreign affairs and trade relations in the new government.

Sir Peter, a former prime minister, said earlier that the decision to join the Mamaloni government was a (?private) one because his party did not support the new government.

A Radio Australia correspondent in Honiara says Mr. Mamaloni now has 14 ministers in his new cabinet with only one more to go. He says the deputy leader of the United Party, Mr. Ezekiel Alebua, has been offered the post of minister of natural resources. However, Mr. Alebua, another former prime minister, is yet to respond to the offer.

Tonga

Tension Mounts as Rulers Attack Catholic Church

BK2910045790 Hong Kong AFP in English 0443 GMT 29 Oct 90

[Text] Wellington, Oct 29 (AFP)—Tension was mounting in Tonga following the ejection of a pro-democracy activist from parliament and an attack on the Catholic Church, sources in the Tongan capital Nuku'alofa said Monday.

Crown prince and minister of foreign affairs, Prince Tupouto'a, told parliament last week that Bishop Patelisio Finau, the head of the island kingdom's Catholic Church, was an advocate of a political coup. He said the bishop was a representative of a foreign power which he named as the "king of Rome, the Vatican Government."

Earlier Tonga's leading pro-democracy MP 'Akilisi Pohiva, was physically removed from parliament after a furious row with acting Speaker Fusitu'a.

King Taufa'ahau Tupou IV alleged earlier this year that Bishop Finau had been indoctrinated in Marxism when he lived in Manila in the early 70s.

Tonga, a kingdom of 169 islands 1,800 kilometres (1,116 miles) northeast of Wellington, is ruled by the king and 33 nobles while 100,000 commoners hold minority power in parliament.

In an editorial in the latest issue of the monthly Catholic newspaper TAUMU'A LELEI Bishop Finau said the crown prince was making "very serious, wild and generalised accusations." He was "influenced by state security ideologies of military dictatorships," the bishop claimed. "These express the fears of power hungry leaders losing power," he added.

He said church leaders had been attempting to present a petition calling for MPs to take pay cuts. He said three nobles in parliament had been very aggressive. "I am saddened to see that these nobles still appear to have the old attitudes of pre-Christian times. 'The people are ours. We do with them as we like and when we like.' Those days are past—gone forever," Bishop Finau said.

Bishop Finau said a "dangerous and false ideology" influencing the prince promoted the belief that people concerned about corruption in government were automatically anti-government. "They try to discredit those who make any constructive criticism by personally attacking and accusing them of being Marxist/Communits who are working to overthrow government and thus seek to divert people's attention from the real issues raised."